

DAILY REPORT

CONTENTS

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INTERNATIONAL AFFAIRS

UNITED STATES

Reagan Comment on Brezhnev's Summit Suggestion	B 1
U.S. Claims Evidence of Soviet Arms in El Salvador	B 1
Reagan Accusation	B 2
RENMIN RIBAO Report [23 Feb]	B 2
U.S. Holds Caribbean Naval Exercise 'Readex 1-81'	B 3
Landing Gear Doors Delivered to U.S. Firm	B 3

SOUTH ASIA

Afghan Guerrilla Leader Visits Washington	F 1
Reports on Food Shortages in Afghanistan	F 1
Guerrillas Seize Control of Helmand Province	F 1
India Reportedly To Strengthen Military Forces	F 2
Student Unrest Continues, Spreads in Pakistan	F 2
Briefs: Pakistan Textile Mills	F 2

WESTERN EUROPE

Further Coverage of Netherlands Sub Sale	G 1
Government Delays Reply	G 1
RENMIN RIBAO Letters	G 1
Parliamentarians Critical	G 2
Comments on Mrs Thatcher's Upcoming U.S. Visit	G 2
RENMIN RIBAO on New Party Alignment in UK [17 Feb]	G 4
British Study Group on Global Soviet Threat	G 5
Establishment of French Socialist, CCP Ties Viewed	G 6
FRG Concerned Over Soviet Nuclear Threat	G 7
[RENMIN RIBAO 23 Feb]	
FRG Foreign Minister Urges USSR To Work for Peace	G 8
Wang Bingqian Signs Agreement for Belgium Loans	G 8
PRC, Belgium, Luxembourg Economists in Beijing	G 9
NPC Delegation Leaves Malta, Arrives in Greece	G 9
Ends Malta Visit	G 9
Delegation Feted in Athens	G 9
Turkish Paper Rejects Soviet 'Friendship'	G 10

NATIONAL AFFAIRS

NPC Standing Committee Session Opens in Beijing	L 1
Yao Yilin Report	L 2
RENMIN RIBAO on Eliminating Leftism in Hunan [24 Feb]	L 2
Vice Minister on Promoting Minority Education	L 4
RENMIN RIBAO Editorial Urges Less Talk, More Action	L 4
[20 Feb]	
GONGREN RIBAO Discusses Policy Stability [8 Feb]	L 6
Education Official Stresses Ideo-Political Work	L 8
GUANGMING RIBAO Report on Eliminating Leftism	L 10
[15 Feb]	

Shanghai Journal Interviews State Economist [SHIJIE JINGJI DAobao 12 Jan]	L 11
Chemical Fiber Industry Expands for More Clothing	L 16
Beijing Highlights Publishing Plans for 1981	L 16
JIEFANGJUN BAO: Circular Urges Afforestation	L 17
Beijing Conference Urges Survey of PRC's Waters	L 17
RENMIN RIBAO: Shanghai Youths Return to Xinjiang [20 Feb]	L 17
Ministries Stress Showing Films for Children	L 18
CHINA YOUTH NEWS Ends Discussion on Life's Meaning [24 Feb]	L 19

REGIONAL AFFAIRS

EAST REGION

Anhui People's Congress Holds Preparatory Meeting	O 1
Congress Agenda Set	O 1
Anhui CPPCC Chairman Delivers Work Report	O 1
Nanjing PLA Air Force Holds Youth Work Conference	O 3
Jiang Weiqing Speaks at Jiangxi Youth Meeting	O 3
Jiangxi Issues Circular on Spring Farming	O 4
DAZHONG RIBAO Discusses Superiority of Socialism [24 Feb]	O 5
Shandong Memorial Rally Honors Young Martyr	O 6
Shanghai CYL Holds Plenary Session 18-23 Feb	O 7
Zhong Min's Address	O 7
Briefs: Jiangxi Planned Parenthood; Shandong Gold Output	O 7

CENTRAL-SOUTH REGION

GUANGZHOU RIBAO on Promoting Economic Readjustment [29 Jan]	P 1
GUANGXI RIBAO on Ideological Work Among Youths [16 Feb]	P 4
Briefs: Guangdong Rural Enterprises; Hunan Planned Parenthood	P 5

SOUTHWEST REGION

Guizhou People's Congress Session Opens 23 Feb	Q 1
Guizhou PLA Studies Central Work Conference Spirit	Q 1
Tan Qilong Addresses Sichuan CCP Cadre Gathering	Q 2
SICHUAN RIBAO Stresses Light Industrial Promotion [23 Feb]	Q 3
Xizang Issues Circular on Speculation, Profiteering	Q 4
Yunnan Border Police Unit Improves Morale	Q 5
Briefs: Xizang Cadre Training	Q 6

NORTH REGION

Beijing Municipality Expands Shops, Services	R 1
Beijing Schools To Begin Extra Reading Program	R 1
Hebei Radio Comments on Readjustment Work	R 2
Nei Monggol To Convene People's Congress 2 Mar	R 3
Briefs: Nei Monggol Minority Education; Shanxi Urban Construction; Awards for Shanxi Teachers	R 3

NORTHEAST REGION

Jilin Radio Comments on Grain Production	S 1
Liaoning Issues Regulations on Self-Employment	S 1

NORTHWEST REGION

Qinghai Military District Discipline Inspection Forum	T 1
Qinghai Province Improves Minority Education	T 1
SHAANXI RIBAO on Rural Responsibility Systems [22 Feb]	T 1
Fifth Xinjiang People's Congress Session Concludes	T 2
Briefs: Xinjiang Rural Savings	T 3

HONG KONG COMMUNIST PRESS

TA KUNG PAO Looks at PRC's Economic Prospects [19 Feb]	U 1
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REAGAN COMMENT ON BREZHNEV'S SUMMIT SUGGESTION

OW250119 Beijing XINHUA in English 0110 GMT 25 Feb 81

[Text] Washington, 24 Feb (XINHUA)--U.S. President Ronald Reagan said today that he is interested in Soviet leader Leonid Brezhnev's proposal for a summit meeting but stressed that any such negotiations should involve verifiable reductions in strategic nuclear weapons and should be linked to other problems between the two countries. Reagan made the statement during a brief appearance in the White House in the middle of a briefing for reporters.

Asked about the U.S. response to Brezhnev's summit suggestion made at the Soviet party's 26th congress, Reagan said, "I was most interested in his suggestion and it's something that now we will discuss and discuss with the State Department, the Cabinet in general, and very particularly, discuss it in the days ahead with the leaders of our allies."

The President stated, "I have repeatedly said that I am willing to negotiate if it is a legitimate negotiation aimed at verifiable reductions, in particular, the strategic nuclear weapons." He said, "I also made it plain that I think at such negotiation table, if and when this takes place, there should be other considerations; what has been termed by Mr Brezhnev as 'linkage.' I think that you can't just deal with just one facet of the international relationship; you've got to deal with all of the problems that are dividing us."

Reagan indicated that American response to the Soviet proposal for a summit conference may also hinge on Soviet involvement in supplying arms to guerrillas in El Salvador. The Soviet Union, he said, has been denying that they're involved in that, "but I think the evidence that we have and we've made public and that we've told our allies about makes it evident that they are involved."

The President said that the United States had "no intention" of becoming involved in a Vietnam-like conflict in El Salvador, but added that there's no question that the United States is in support of the government in that country.

U.S. CLAIMS EVIDENCE OF SOVIET ARMS IN EL SALVADOR

OW241244 Beijing XINHUA in English 1229 GMT 24 Feb 81

[Text] Beijing, 24 Feb (XINHUA)--U.S. State Department yesterday published a number of documents confirming the fact that the Soviet Union and Cuba have been involved in Salvadoran affairs by transporting weapons there in large quantities, according to reports from Washington.

Western news agencies reported that the 200-page documents, seized from the hands of the antigovernment forces, included a list of weapons delivered by the USSR and Cuba to the antigovernment organizations in that Central American country as well as some reports and letters demonstrating the involvement of the Soviet Union and its allies in Salvadoran internal affairs.

Addressing a news conference held after the publication of the above-mentioned documents, John Bushnell, U.S. acting assistant secretary of state for inter-American affairs, said that the main objective of the United States now was to stop the Soviet Union and other countries from delivering weapons to El Salvador. He said that the United States would increase its military assistance to the Salvadoran Government in view of the fact that considerable quantities of weapons have already been sent to the guerrillas. Bushnell said signs showed that the transport of weapons to the guerrillas had stopped in the past weeks. The U.S. Government, however, would keep watch on the matter. The U.S. Government would cut its assistance to El Salvador, if the deliverance of arms really and thoroughly comes to an end.

Reagan Accusation

OW250810 Beijing XINHUA in English 0757 GMT 25 Feb 81

[Text] Beijing, 25 Feb (XINHUA)--U.S. President Ronald Reagan yesterday condemned the Soviet Union for its involvement in El Salvador by sending weapons to the anti-government guerrillas there, according to reports from Washington. He said at a White House briefing to reporters that the flow of arms into El Salvador would be one of the things that "should be straightened out" in any future talks with Leonid Brezhnev.

The Soviet Union denied its involvement in the conflict in El Salvador and the shipment of arms, Reagan said. However, "the evidence we have and have made public...make it evident that they are involved."

Reagan expressed his support to the Government of El Salvador and "against those who are attempting a violent overthrow." But he stressed that "the United States had no intention of getting into a Vietnam-style involvement in El Salvador."

John Bushnell, the State Department's acting assistant secretary for Latin America, said in a television interview the same day that the United States might need to send a few military personnel to El Salvador to train its people in the use of new equipment.

RENMIN RIBAO Report

HK230857 Beijing RENMIN RIBAO in Chinese 23 Feb 81 p 6

[Report: "The United States Confirms Massive Soviet and Vietnamese Arms Shipment to El Salvador--Haig Believes That This Is Illegal Interference in Western Hemisphere Affairs"]

[Text] According to reports of foreign news agencies, the U.S. Department of State has confirmed in a cable that the Soviet Union, Cuba and Vietnam have supplied a great amount of arms to guerrillas in El Salvador, intensifying the turmoil in El Salvador and interfering in Western Hemisphere affairs.

In its 20 February edition the New York TIMES carried an unofficial text of the State Department cable. Later, the contents of this cable were confirmed by State Department spokesman William Dyess. This cable pointed out that the first shipment of 68 tons of weapons from Vietnam consisted of 2 million rounds of rifle and machinegun ammunition; 14,500 mortar shells, 1,620 rifles; 210 machineguns; 48 mortars, 12 rocket launchers and 192 handguns.

The cable said that "Cuba plans and heavily influences" "political instruction, organizational work and the supply of weapons" to Salvadoran guerrilla troops with the "active support" of the Soviet Union and Vietnam. The cable held that the situation in El Salvador in the past year shows that countries like the Soviet Union "are conducting indirect armed aggression through Cuba."

On 20 February, U.S. Secretary of State Alexander Haig indicated concern for the continuous flow of Soviet and Vietnamese arms into El Salvador. He said, the situation in El Salvador "has obviously developed into a problem which arouses serious concern." He also stressed that the countries which supply arms to Salvadoran guerrillas are "illegally interfering in Western Hemisphere affairs."

U.S. HOLDS CARIBBEAN NAVAL EXERCISE 'READEX 1-81'

OW250316 Beijing XINHUA in English 0308 GMT 25 Feb 81

[Text] Washington, 24 Feb (XINHUA)--A large U.S. naval exercise is under way in the Caribbean region as the Reagan administration is trying to stop Moscow-Havana infiltration in El Salvador. Naval sources said today that 41 ships headed by the aircraft carrier America are engaged in the exercise, codenamed Readex 1-81. The exercise, now taking place to the north of Puerto Rico, is the largest concentration of American naval force anywhere at the moment.

The exercise which began in early February off the east coast of the United States covers an area from Norfolk into the Caribbean Sea. It involves about six weeks of battle group operations and the navy's five newest nuclear-powered cruisers.

Readex 1-81 is designated to "improve overall fleet readiness" and to "bring all forces to the highest possible levels of training and operational readiness, while exercising U.S. naval personnel and weapons systems under realistic conditions," naval sources said. The exercise features several realistic war-at-sea scenarios including anti-submarine warfare, anti-surface warfare, anti-air warfare and naval gun and missile firing.

The U.S. Navy has been operating in the Caribbean region with ever-larger forces since a year ago when the Carter administration discovered a brigade of Soviet combat troops in Cuba.

Another exercise "Black Hawk" is concurrently being held in the Caribbean area, the sources said. It involves joint U.S. and Panamanian forces to test the air and naval defense of the Panama Canal.

It was reported that while the American Atlantic fleet was assembling off Puerto Rico, the Soviet brigade in Cuba was engaged in an annual field training exercise south of Havana. The manoeuvre was commanded by Nikolay V. Ogarkov, first deputy defense minister and chief of the Soviet General Staff. His visit was seen here as "underscoring Moscow's intention to keep its foothold in the Western Hemisphere."

LANDING GEAR DOORS DELIVERED TO U.S. FIRM

OW250812 Beijing XINHUA in English 0801 GMT 25 Feb 81

[Text] Shanghai, 25 Feb (XINHUA)--The first set of DC-9 Super 80 aircraft main landing gear doors processed by the Shanghai aircraft factory for the McDonnell Douglas was delivered at a ceremony here today.

According to the U.S. company's inspectors at the Shanghai aircraft factory, the first set of landing gear doors is up to quality requirements.

A contract for 100 sets of such gear doors was signed in Beijing in October, 1979.

AFGHAN GUERRILLA LEADER VISITS WASHINGTON

OW251216 Beijing XINHUA in English 1204 GMT 25 Feb 81

[Text] Beijing, 25 Feb (XINHUA)--Sayed Ahmad Gailani, president of the National Islamic Front of Afghanistan, told the press in Washington yesterday that he had a "very useful exchange of views" with top American State Department officials "on all aspects of the Afghan situation," according to news reports received here. Gailani said that "as a direct result of Soviet military activity," hundreds of thousands of his fellow-countrymen had lost their lives. The Afghan resistance movement, he added, needs arms, not men, to fight the Soviet occupation forces. Negotiations were being held to bring about the unity of the six Afghan resistance groups, he said.

REPORTS ON FOOD SHORTAGES IN AFGHANISTAN

OW211218 Beijing XINHUA in English 1210 GMT 21 Feb 81

[Text] Islamabad, 21 Feb (XINHUA)--The Soviet intervention in Afghanistan one year ago has brought the country to the verge of famine, according to Afghan press agency yesterday. A press release of the agency said that the shortage of foodstuff and other daily necessities caused by the Soviet invasion has created a grave situation for the common people. The Soviet forces in most of the rural areas have burned the standing crops and orchards to avenge for their reverses. They also loot the people, resulting in a general deprivation of the masses.

A large number of Afghan masses have left their farms to engage in the war of resistance against the Soviets and Karmal regime and the agricultural production has considerably gone down.

At present, prices are soaring with atta (flour) selling at 130 afghanis per 7-kilo bag (45.30 afghanis equal one dollar). When wood supplies from Zadran to Kabul were stopped, the price rose to 20 afghanis per kilo. In view of the shortage of food, the Karmal regime has introduced rationing system. The sale of wheat flour and rice is forbidden in the open market. The ration can only keep the people half-starved. It lasts them three or four days out of a week.

Latest reports said that peasants who disobey government functionaries have stopped cultivating the land and staged an uprising.

GUERRILLAS SEIZE CONTROL OF HELMAND PROVINCE

OW231221 Beijing XINHUA in English 1211 GMT 23 Feb 81

[Text] Beijing, 23 Feb (XINHUA)--Freedom fighters in Afghanistan have controlled Helmand Province almost completely as well as about 80 percent of Qandahar, a major city in the south, according to Islamabad reports quoting the Afghan press agency and a French television crew.

The Afghan guerrillas have controlled the whole Helmand Province apart from the provincial capital city of Lashkargar and the nearby town of Gereshk after an offensive against the Soviet occupation forces and the Afghan puppet troops there. The guerrillas seized quantities of fertilizers and wheat from the puppet regime's depots and distributed them among the poor people.

The area between the Afghan city of Qandahar and the Pakistan province of Baluchistan has fallen in guerrilla hands. It was reported that Soviet and puppet troops, backed by tanks and heavy artillery, had battled freedom fighters for control of Qandahar in around-the-clock fighting earlier last week.

INDIA REPORTEDLY TO STRENGTHEN MILITARY FORCES

OW230824 Beijing XINHUA in English 0800 GMT 23 Feb 81

[Text] New Delhi, 23 Feb (XINHUA)--The Indian Government is considering measures to strengthen its military forces in view of the new situation in Southeast and southwest Asia, says a note of the Defence Ministry to the Parliament on the major military activities, according to the local newspapers here today.

The note draws attention to the significant developments "around India in the recent past." It makes a pointed reference to the escalation of global rivalry between the USA and the Soviet Union which, it notes, has also had its effect in the Indian Ocean. In the wake of the Iranian situation and the new situation arising out of the Soviet presence in Afghanistan, the USA has made a visible escalation of its naval presence in the Indian Ocean and the Soviet Union, "In an attempt to achieve balance," has also enhanced its presence in the area, it pointed out.

India cannot but view these developments with concern, the note says, adding that "India is committed to intensifying our effort to mobilize international opinion for the implementation of the zone of peace for the Indian Ocean."

STUDENT UNREST CONTINUES, SPREADS IN PAKISTAN

OW220819 Beijing XINHUA in English 0813 GMT 22 Feb 81

[Text] Islamabad, 21 Feb (XCNHUA)--Student unrest which started in Multan, a city in south Punjab, on February 9 and later spread to Lahore and Rawalpindi, has led to more demonstrations and closing of universities and colleges in Peshawar, and other cities in North West Frontier Province.

An official press release in Peshawar today said that about 2,000 students of the Peshawar University and the engineering institution located on the university campus, marched within the campus this morning. They then tried to take to the streets and clashed with the police outside the campus, and fire was opened. The authorities ordered immediate closure of the university and other institutions after the incident.

According to the release, similar demonstrations have taken place in Marden, Nowshera and Charsadda. All colleges at Sheikhpura, Sanghla Hill, Sharaqpur and Nankana near Lahore have been shut down. Colleges in Islamabad, Rawalpindi, Lahore and Multan were also closed.

The district magistrate of Rawalpindi has banned the carrying of weapons, public meetings and demonstrations after a decree to this effect was issued in Lahore and Sialkot.

BRIEFS

PAKISTAN TEXTILE MILLS--Islamabad, 22 Jan (XINHUA)--Pakistan's Tarbela cotton and spinning mills with 25,000 spindles have been operating well since the start of production on 1 January this year and the quality of the produce has been good. This was declared by Rahim Mahsud, director of the Pakistan Industrial Development Corporation today at a reception given by Yao Fangbo, leader of the Chinese team of engineers and technical personnel at Khalabat, Hazara District. Mahsud said that the mills built with Chinese assistance have set a fine example for cooperation between the two countries in the technical field. "We are determined to strengthen our cooperation in the future," he added. Yao Fangbo extended thanks to Pakistani officials and workers for their warm and friendly hospitality during their stay in the country. We wished that the mills will make greater contributions to Pakistan. The last group of Chinese engineers and technicians is to leave the country by the end of this month. [Text] [Beijing XINHUA in English 0709 GMT 23 Jan 81 OW]

FURTHER COVERAGE OF NETHERLANDS SUB SALE

Government Delays Reply

OW251214 Beijing XINHUA in English 1200 GMT 25 Feb 81

[Text] Beijing, 25 Feb (XINHUA)--The spokesman of the Chinese Foreign Ministry said today that in view of the fact that the Netherlands Government persists in its erroneous decision and wilfully strains the relations with China, "the Chinese Government will have to make further reactions in the next few days."

In a note to the Netherlands Embassy here on January 19, he said, the Foreign Ministry had made clear the Chinese Government's solemn stand on the Netherlands Government's approval of the submarine deal with Taiwan. It requested that the diplomatic relations between the two countries be downgraded to the level of charge d'affaires and proposed that the two sides enter into negotiations on this matter.

The spokesman said: "Now, a month has elapsed since the delivery of the note. The Netherlands Government announced on February 20 that it would not change its decision. But it has failed so far to answer the Chinese note. This is extraordinary and most rude.

"In view of the fact that the Netherlands Government persists in its erroneous decision and wilfully strains the relations with China, the Chinese Government will have to make further reactions in the next few days."

RENMIN RIBAO Letters

OW250730 Beijing XINHUA in English 0711 GMT 25 Feb 81

[Text] Beijing, 25 Feb (XINHUA)--The PEOPLE'S DAILY here today published four of its readers' letters expressing indignation at the Netherlands Government's insistence on selling submarines to Taiwan. They expressed heartfelt appreciation of the friendly sentiments of many Netherlands people who have raised their voices against their government's decision.

Que Jianxiang, a student of a teacher's college in Zhuzhou, Hunan Province, writes that the Netherlands Parliament's disapproval and public repudiation of the decision "demonstrate the Netherlands people's desire to preserve Sino-Netherlands friendship." Facts show that "the Netherlands Government's decision tarnishes its own reputation and is unpopular at home," he adds.

Two army men, Jiao Hongjie and Xue Chenguang, declare their support for the Chinese Government's decision to down grade the relations with the Netherlands. "We are deeply indignant," they say, "when we learned from broadcast news that the Netherlands Government had decided to hold on to its approval of the sale of submarines to Taiwan. As the Netherlands Government turned a deaf ear to our government's protests and defied the principles of the Sino-Netherlands communique on the establishment of diplomatic relations at the ambassadorial level, our government certainly should react strongly to uphold our country's sovereignty and dignity."

While protesting against the Netherlands Government decision, Luo Xianshu of a machine tool plant in Sichuan Province writes, "In their effort to prevent the sale of submarines to Taiwan, many political and public figures and people in the Netherlands have criticised their government's decision as myopic and dangerous. As a Chinese citizen, I am deeply impressed with their heart-warming sentiments and their courage to uphold Sino-Netherlands friendship."

Ye Ren, a citizen of Handan Municipality, Hebei Province, says that he thinks the way the Netherlands Government handled the whole affair is not above-board and that this proves "they (the Netherlands Government) know theirs is an unjust case."

Parliamentarians Critical

OW231707 Beijing XINHUA in English 1654 GMT 23 Feb 81

[Text] Brussels, 23 Feb (XINHUA)--A number of Netherlands parliamentarians described as "untenable" the arguments put forward by the Netherlands Cabinet for granting export licences to sell submarines to Taiwan. The Netherlands Parliament passed a motion on February 3 asking the Cabinet to rescind its decision to grant export licences for the supply of two submarines to Taiwan. However, the Netherlands Prime Minister Andreas van Agt said later in a letter to the Second Chamber that the government could not go back on its words because the promise had established a relation by right between the government and the RSV firm. Therefore the government was unable to implement the parliamentary motion, he said.

Foreign policy spokesman of the Democrats 66 (Party) Laurens Brinkhorst in an interview with the press refuted the government's allegation on the pretext of juridical difficulties. He pointed out that the Cabinet's letter seemed to give the impression that the government should have taken another step, but was incapable of doing so. He expressed doubt about its so-called incapability. The government's argument on the promise to assume juridical obligation is untenable, he noted. He quoted a well-known jurist as saying "RSV has no reason to ask for compensation for its losses, because the contract has not been signed."

J. de Boer, Parliament member of the ruling Christian Democratic Alliance, expressed regret at the government's decision, saying that the quibble in the letter on the law is nonsense. He hoped that the government will withdraw its permission for the export of two submarines to Taiwan.

Labour Party leader Den Uyl maintained that the government considered the permission to grant export licences more important than the disadvantageous consequences to the employment caused by the damaged Netherlands-Sino relations. He said that the party groups supporting the government's decision should assume the responsibility for the consequences arising therefrom.

The Cabinet's letter will be brought up for debate in the Second Chamber of the Netherlands Parliament this week. It is expected that the opposition parties will table a motion of no confidence against the government.

COMMENTS ON MRS THATCHER'S UPCOMING U.S. VISIT

OW241714 Beijing XINHUA in English 1632 GMT 24 Feb 81

[By correspondent Yar - Yi]

[Text] London, 24 Feb (XINHUA)--Prime Minister Margaret Thatcher will be the first West European leader to confer with President Ronald Reagan when she goes to Washington tomorrow to pay her second official visit to the United States. It is generally believed here that her three-day visit will be very influential on bilateral relations as well as on the relations between the United States and its West European allies.

The prime minister herself has attached great importance to the visit. In a major speech on January 29, she made it clear that Britain is ready to assist the Reagan administration in revitalizing NATO. She proposed, as measures to fortify the alliance, that Western Europe supports the American effort by making the greatest possible contribution to its own defense and coordinating their policies and decisions with the United States.

The cornerstone of traditional British foreign policy has been to unite with America. Mrs Thatcher has emphasized that Britain's membership in the European Economic Community in no way affects its special relationship or weakens its friendship with the United States.

The Conservative government has strengthened Britain's ties with other West European countries and made them a key factor in its foreign policy. It stresses that Britain's national interest is in Western Europe and in working for EEC's growth and expansion. It also pays attention to its ties with Third World countries, the Commonwealth countries in particular.

Meanwhile, relying on its traditional relationship with the United States, Britain has tried to serve as a bridge between the United States on the one hand and the European Community and the Commonwealth nations on the other. The government believes that alliance with America is the foundation of European security. It always calls for a stronger NATO and urges other EEC countries to support the United States by coordinating their positions and solving their differences with it.

Observers here have displayed particular interest in Mrs Thatcher's talks with Reagan scheduled to begin on February 26. Compared with Carter's policies, Reagan's internal and external policies are considered to be more identical to those of Mrs Thatcher. Besides their similar economic policies, the two countries have considerable common language on the countering of the global Soviet expansion, the cementing of the Western alliance and the enhancing of defence capabilities. Well-informed sources here predict that Thatcher will make use of this opportunity to expound to Reagan Britain's position on major international issues such as American-European relations, the West's defence, the situation in Poland, security for the Gulf and the Afghan issue.

Based on their analysis of the present international situation and the foreign policies of Britain and the United States, some people in Britain are cautiously optimistic about Mrs Thatcher's American tour. On the one hand, they deem that the two countries may coincide with or approximate each other on many issues, thus contributing to the unity between the United States and its allies and helping the West to contain Soviet infiltration and subversion abroad. But on the other hand, they acknowledge that the talks may not proceed with ease and differences may surface on certain matters.

One controversy could be the issue of defence as West European countries are disturbed by the Reagan administration's request for an increase in their contribution to the joint defence budget and by the U.S. secretary of defence's proposal for deployment of neutron bombs in Europe. Another topic over which differences might arise is the Middle East problem. Britain and other European Community members are dissatisfied with Washington's partiality to Israel out of consideration for the Jewish people in the United States. They maintain that appropriate attention should be given to the interests of the Palestinian and Arab peoples and that the Palestinian Liberation Organization should be allowed to participate in negotiations on the conflicts between the Arabs and Israel. Thirdly, the presence of over 10 million Irish immigrants in the United States is believed to have influenced the U.S. authorities' attitude towards Northern Ireland and Britain is rather sensitive to the fact that the United States is the major source of arms supplies for the Northern Ireland Republican Army. All these facts show that it will take a long time and much energy for the United States and Britain, and their other allies to coordinate and harmonise their strategies.

Some correspondents of British papers stationed in Washington predicted that Mrs Thatcher would be warmly welcomed in the United States. However, it remains to be seen what else may happen behind the silver trumpets, black ties and red carpets.

RENMIN RIBAO ON NEW PARTY ALIGNMENT IN UK

HK230728 Beijing RENMIN RIBAO in Chinese 17 Feb 81 p 7

[Newsletter from Britain by RENMIN RIBAO reporter Xu Qingmei [6070 1987 5019]: "New Changes in Britain's Political Arena"]

[Text] Recently, people in the British media have been constantly talking about the emergence of a new political party which advocates "social democracy" in the British political arena. Major newspapers in Britain have published editorials, feature articles and special interviews on this impending development. "Public opinion poll organizations" have conducted opinion surveys and published survey results one after the other. Television stations have organized forums on this special topic and invited celebrities to express their opinions in the forums. Thus, various indications of the organization of a new political party are arousing growing concern in British society.

Since the latter part of January, activities being conducted in preparation for the new political party have become more open and more frequent. On 25 January, four well-known Labor Party "moderates" announced the founding of the "Council for Social Democracy," after which nine Labor MP's immediately declared their support. After that, the founders of the "council" engaged in a flurry of activities: On the 28th, Labor MP and former Transport Minister William Rodgers resigned his post in the Labor Party shadow cabinet, on the 30th, Labor MP, former Foreign Minister David Owen announced that he will not run under the Labor Party in the next general election; on 9 February, former Education Secretary Shirley Williams resigned her post in the Labor Party National Executive Committee.

On 5 February, the "council" reprinted its declaration in the GUARDIAN, taking up half a page of the paper. The declaration claimed that the "council" has received 8,000 letters professing support and also mentioned the names of 100 supporters who are prominent personalities in society and in the Labor Party.

Many British newspapers believe that the "council" people's secession from the Labor Party and organization of a new party came earlier than expected. It was generally estimated that this would come in March at the earliest, and in May or June, at the latest.

During the earlier part of the 1970's, there were also proposals in the Labor Party for organizing a new party. However, this never materialized. This time, not only were people talking about it, concrete actions proceeded in quick succession. People believe that for the past 30 years or so, two parties have taken turns in holding power, bringing about a stable situation in the British political arena. Now there seem to be developments which suggest a change.

One factor is the political differences within the Labor Party. In its declaration, the "council" indicated its support of parliamentary democracy and advocated that the central government must suitably decentralize power and strive to solve the problem of unemployment. However, on economic policy, it disagreed with the Labor "left's" proposal of expanding the nationalization of enterprises. It believes that the mixed system of the coexistence of national and private corporations should be maintained. In foreign affairs, it disagreed with the Labor "left's" attempts to withdraw from the EEC and its proposal for unilateral disarmament. It believes that Britain should play a positive role in the EEC and that an international agreement on disarmament can only be reached through multilateral consultation.

Britons who are familiar with Labor Party affairs pointed out that for many years, Labor leadership was controlled by the middle-of-the-roads or middle-of-the-road "moderates." Yet in the past few years, due to the stagnation of the British economy and the lowering of workers' living standard, the Labor "left" has put forth the proposals of "wholesale nationalization," "full employment," "withdrawal from the EEC," "unilateral disarmament" and so forth to cater to the workers' discontent. [paragraph continues]

This has both promoted the development of "leftist" forces in the party and weakened the "moderates'" voice in the party's policymaking bodies. Some "moderates" have since indicated that if they lose control over policy, they would organize a new party. The amendment of the procedure for choosing Labor Party candidates for MP's during the 1980 annual convention and the decision to amend the procedure for choosing the party leader taken in the special convention held in January both reflected "leftist" proposals. The "moderates'" repeated defeats in the power struggle is another factor which has led some moderates to organize another party.

Winning over the support of the middle class in society was a matter of great importance in British politics during the 1970's. It is alleged that at present, the middle class constitutes 60 to 70 percent of the total number of voters. As British politics enters the 1980's, various parties are devoting even greater efforts to winning over the middle class voters. Reports gathered by public opinion poll organizations show that the Britons' discontent with the present political and economic situation is growing. Some middle class people criticize the Conservative government's economic policy for being "too rigid." However, neither do they welcome the Labor Party's "too radical" policies. Public opinion polls show that a new party adopting a central or "left" of center policy will receive unexpectedly strong support from the middle class people. These are signs that a certain trend of thinking exists in Britain. It wants "change" but does not want too drastic changes in order to bring about a relatively stable political and economic situation in Britain.

People feel that this will be the political and social basis for a change in the British political scene. The "Council for Social Democracy" pointed out in its declaration: "We must face reality. British politics needs reorganization." This is a very eye-catching conclusion. According to reports, there have been initial results after the Liberal Party and the "council" leaders held repeated consultations on establishing a "united front campaign." As the split within the Labor Party becomes very obvious, some indications of instability have also appeared in the Conservative Party.

New problems arising from this "realignment" of political forces in British politics are arousing growing attention among the people.

BRITISH STUDY GROUP ON GLOBAL SOVIET THREAT

OW250136 Beijing XINHUA in English 0128 GMT 25 Feb 81

[Text] London, 24 Feb (XINHUA)--An independent British foreign affairs study group today advised the West to work out "a global strategy" to meet "the global threat" posed by the Soviet Union and urged Britain to contribute to success of this strategy. The call came from the defence and overseas policy working group of the British Atlantic Committee in a study published here today. The group is headed by the former chief of the British defence staff, Marshal of the Royal Air Force Sir Neil Cameron. British Admiral of the Fleet Lord Hill-Norton, former chairman of NATO's Military Committee is a member.

The study says that Britain should take the initiative in promoting the development of a new international forum with its own international staff. It should include the United States, France, West Germany, Britain and other NATO members and also develop links with Japan and possibly China. The first purpose of this forum, according to the study, would be to stem the Soviet advance in the Third World, where the Russians have built up a "spectacular" capacity to interfere with the flow of oil, raw materials and trade.

Sir Neil says in a forward to the study that one reason for the Western failure to match Soviet global strategy is its lack of planning machinery. The study complains of "chronic slowness" in the Western response to the Soviet invasion of Afghanistan. The West should form regional groupings with Third World countries to deal with crises as they arise, it says. One of its military proposals is to have a permanent maritime presence in the Indian Ocean. It argues that Britain could make its contribution by stationing a naval task force there for part of the year to help maintain stability in the region and by having a 3,000-strong "fire brigade" ready to be sent to world troubled spots.

ESTABLISHMENT OF FRENCH SOCIALIST, CCP TIES VIEWED

PY232309 Beijing in Spanish to Latin America 2300 GMT 20 Feb 81

[(Luisa Futor) commentary]

[Text] At the end of a visit to the PRC the political delegation of the French Socialist Party left Beijing for home on the 16th. During the visit the Chinese Communist Party and the French Socialist Party officially established friendly relations and strengthened mutual understanding and friendship between the two parties.

There is no doubt that this event will favor the development of new friendship between the PRC and the French people and will have a positive influence on the cause of the defense of world peace; therefore, it deserves our congratulations.

The French Socialist Party is an important political force in that country and supports friendship with the PRC and has made energetic efforts to promote the establishment of diplomatic relations between France and the PRC.

Francois Mitterrand, who headed the delegation during the recent visit to the PRC, visited our country in 1961 and met with late President Mao Zedong. However, from the point of view of relations between parties, this is the first official contact between the CCP and the French Socialist Party.

The delegation held talks and meetings in Beijing with the Vice Chairmen of the CCP Central Committee Deng Xiaoping and Li Xiannian and with General Secretary Hu Yaobang.

The two parties exchanged information on the political and economic situations of their respective countries as well as exchanging points of view on the international problems of common interest.

The talks between the two parties were ruled by the principles of full equality and the seeking of points of agreement and forsaking of differences. The results of the talks proved the similar positions of the two parties in several fields. The two parties voiced their concern on the current international situation, which is marked by a great threat to world peace.

The Chinese side expressed the CCP's opinion on the entire international situation and pointed out that the origin of the agitated world situation and the main factor which could lead to a war is the worldwide expansionism policy of Soviet hegemony. Mitterrand referred to the increasing threat of the Soviet military power to Western Europe and especially to the threat which the recent Soviet deployment of SS-20 tactical missiles represent to the Western European countries and peoples. He reasserted that the French Socialist Party agrees on the need to strengthen Western Europe and strengthen the defense forces of the Western European countries as well as expressing his hope that the Reagan administration will promote relations which are appropriate among partners with those countries.

The two parties voiced their unconditional respect for the sovereignty, dignity and territorial integrity of all countries and condemned the Soviet military attack on Afghanistan and the Vietnamese attack on Kampuchea.

Mitterrand stated that his party believes that the Soviet Union must withdraw its troops from Afghanistan in order to solve the Afghan problem. The CCP strongly agreed with the clear position of the French Socialist Party. The two parties also expressed their hopes that Iran and Iraq will end their war through negotiations.

The French Socialist Party upholds the need for developed countries to increase aid to developing countries and establish closer and more effective relations with the nonaligned countries and those of the Third World. The CCP supports this postulate.

During the talks the representatives of the two countries talked about how to develop their reciprocal relations and analyzed the various ways and means to maintain permanent contact. The two parties voiced their satisfaction with the results of the talks.

The visit which the political delegation of the French Socialist Party paid to the PRC proves the desire of our party to establish and develop friendly relations with a greater number of socialist parties of the European countries. The CCP maintains that in view of the current international situation, which is serious, and in order to efficiently control the aggressive and expansionist actions of the hegemonists and to safeguard world peace, all the countries and parties which support justice, combat aggression, and struggle for social progress and world peace should unite to firmly struggle against the aggression and expansionism of hegemonism.

FRG CONCERNED OVER SOVIET NUCLEAR THREAT

HK240J31 Beijing RENMIN RIBAO in Chinese 23 Feb 81 p 6

[Report: "Schmidt Charges the Soviet Union With Threatening Western Europe by Strengthening Medium-Range Nuclear Weapons"]

[Text] According to a REUTER report, West German Chancellor Helmut Schmidt pointed out in an interview in the West German weekly magazine DER SPIEGEL, published on 20 February, that a continued buildup of Soviet medium-range nuclear weapons could threaten Western Europe's security.

Schmidt said: The Soviet Union can build up "a weapons advantage" before NATO can start to deploy new U.S. cruise and Pershing-II missiles in Western Europe in 1983. Statistics show that the Soviet Union has "a good lead" in certain weapons and is seriously jeopardizing the "balance of military power." He pointed out: In executing its weapons programs for planes and nuclear missiles directed at West European targets, the Soviet Union has departed from "the principle of parity."

He stressed that if the West European countries want to stay "independent" from the "will" of the Soviet Union, they "should not tolerate the (growing) trend with (Soviet) SS-20 rockets and Backfire bombers during the past 3 years for a further 3 years."

According to the same REUTER report, West German Defense Minister Hans Apel, in an article published on 20 February by the weekly journal DIE ZEIT, said that Moscow had deployed more than 150 new SS-20 missiles directed at European targets in its effort to step up its development of medium-range nuclear weapons, and that the SS-20 program would soon enter its final stage. He also said: The Soviet Union has increased its "European strategy" missiles from 1,320 at the beginning of 1980 to the present 1,440. It has halted the dismantling of older SS-4 and SS-5 weapons which the new missile supersedes. At present, 450 of these old missiles are still in place. He pointed out: The Soviet Union has been stepping up the development of its medium-range missiles since 1976. In so doing, it has "greatly raised the quality and quantity of its weapons directed at NATO targets."

West German sources with an intimate understanding of U.S. satellite monitoring recently disclosed that the Soviet Union would soon be deploying SS-20 missiles at a rate of two missiles a week, twice as fast as a year ago. The same sources said: "The Soviet Union has recently accelerated the pace of its deployment of SS-20 missiles."

According to another report, West German Foreign Minister Hans-Dietrich Genscher returned to Bonn on 19 February after a 4-day visit to Pakistan and Egypt. He told reporters on 20 February that in beefing up its naval and air forces and building up a powerful medium-range missile force, the Soviet Union was posing a threat not only to Western Europe, but also to North Africa, the Middle East, southwest Asia, south Asia and east Asia. Genscher charged the Soviet Union with "trying to change the balance of world forces" and demanded that the Soviet Union stop pushing its expansionist policy.

FRG FOREIGN MINISTER URGES USSR TO WORK FOR PEACE

OW231629 Beijing XINHUA in English 1616 GMT 23 Feb 81

[Text] Bonn, 22 Feb (XINHUA)--West German Foreign Minister Hans-Dietrich Genscher today appealed to the Soviet Union to take the West's desire for cooperation seriously and to join the West in working for disarmament and practising moderation in world politics. The statement was issued by the West German Foreign Ministry on the eve of the 26th Soviet Communist Party Congress.

Genscher said that the war against the Afghan people and the rocket threat against Western Europe have roused the responsibility-conscious forces of the West. "The Soviet Union should recognize that it is in its own interest to leave the path of over-arming and power politics in the Third World, and together with the West take the path of disarmament and world political moderation, to which Moscow subscribed in the Soviet-American declaration of 1972 and the Final Act of Helsinki," he stated.

Genscher stressed the determination to secure stability and balance in Europe and the world as a whole. In this regard, he pointed out, the EEC and the Western alliance are the "guarantee for our freedom and security". According to DPA, Genscher told the DEUTSCHLANDFUNK on February 20 that the world is at a crossroad. The Soviet powerful medium-range missiles have brought under its threat not only Western Europe, but also North America, the Middle East, Pakistan, India, China and Japan. The West must make it clear to the Soviets that they may obtain greater advantages by a policy of cooperation than by a policy of military superiority, he said.

WANG BINGQIAN SIGNS AGREEMENT FOR BELGIUM LOANS

OW231217 Beijing XINHUA in English 1205 GMT 23 Feb 81

[Text] Beijing, 23 Feb (XINHUA)--An agreement with Belgium providing interest-free governmental loans to China was signed in the Great Hall of the People here today. In order to enhance friendly relations and expand trade between the two countries, the Belgian Government will provide the Chinese Government with 300 million convertible Belgian francs this year. Chinese Minister of Finance Wang Bingqian and the Belgian ambassador to China, Roger Denorme, signed the agreement on behalf of their respective governments. The agreement stipulates that the loans will be used by the Chinese Government to pay for capital goods or industrial equipment and related services supplied by Belgian firms.

In 1979 Chinese and Belgian Government leaders agreed in Beijing that the Belgian Government would provide the Chinese Government with yearly interest-free loans of 300 million Belgian francs between 1980 and 1982. The loans for 1980 already have been drawn and used by the Chinese Government.

Both Wang Bingqian and Mr Denorme delivered speeches after signing the agreement. "Economic development in China must mainly rely on our own efforts. But at the same time, we must import sophisticated technology from other countries and make use of foreign resources in a planned manner. This will not only facilitate the progress of our economic construction, but will promote economic cooperation between China and friendly countries," Wang Bingqian said. "The Chinese Government as well as the Chinese people are grateful to Belgium for providing us with financial assistance. We also highly appreciate the economic and technological cooperation between the two countries," he said.

"Belgium-China cooperation is a long-term cause that will coincide with an effort in China's modernization. We expect that the Belgium-China economic cooperation will not be confined to this agreement, but will include all those departments conforming to China's economic principles. We are confident of the cooperation which is based on friendly relations between the two peoples," Mr Denorme said. A banquet, sponsored by Wang Bingqian, followed the signing ceremony.

PRC, BELGIUM, LUXEMBOURG ECONOMISTS IN BEIJING

OW231531 Beijing XINHUA in English 1519 GMT 23 Feb 81

[Text] Beijing, 23 Feb (XINHUA)--A joint committee for implementing the agreement on the development of economic, industrial, scientific and technical cooperation between China and the Belgium-Luxembourg Economic Union ended its first meeting here today.

During the week-long meeting, talks were held between the Chinese delegation headed by Li Shude, a departmental director in the Ministry of Foreign Trade, and the delegation of the Economic Union headed by Van Look, acting director-general of the Department of Foreign Economic Relations in the Ministry of Foreign Affairs, Foreign Trade, Cooperation and Development of Belgium.

The two delegations shared information on the economic situation in their own countries and reviewed their exchanges in the economic, industrial scientific and technological fields. Both sides expressed confidence in their future cooperation. They also expressed satisfaction with the success of the meeting and agreed that its positive results would contribute to furthering cooperation between the two sides on the basis of equality and mutual benefit.

NPC DELEGATION LEAVES MALTA, ARRIVES IN GREECE

Ends Malta Visit

OW240209 Beijing XINHUA in English 0200 GMT 24 Feb 81

[Text] Valletta, 23 Feb (XINHUA)--A delegation of China's National People's Congress led by Hao Deqing concluded a week-long friendly visit to Malta and left here for Greece this afternoon. The delegation came here on February 18 to reciprocate a visit to China last year by a Maltese parliamentary delegation led by Speaker Kalcidon Agius.

In an airport press statement, Hao Deqing said the delegation which came to enhance mutual understanding and friendship was carrying away with them the feelings of profound friendship of the Maltese people for the Chinese people. He said members of the delegation were happy to have had the opportunity to meet Prime Minister Dom Mintoff.

He said both China and Malta are developing countries and it is only natural for the two countries to cooperate and help each other in their development. He believed that with daily increasing mutual understanding and friendship there would be broad prospects for future cooperation between the two countries. The delegation was seen off at the airport by Speaker Agius and other high ranking Maltese officials. Chinese Ambassador Cheng Zhiping was also present. Yesterday evening, a reception was given by Ambassador Cheng Zhiping on the occasion of the visit of the Chinese delegation. Acting President of the Republic Dr Vincent Scerri, Speaker Agius, Deputy Speaker Joseph M Baldacchino were among the 300 guests present at the reception.

Delegation Feted in Athens

OW251228 Beijing XINHUA in English 1212 GMT 25 Feb 81

[Text] Athens, 24 Feb (XINHUA)--President of Greek Parliament Dimitrios Papaspyrou said here this evening that Greece respects the independence, sovereignty and territorial integrity of other countries and stands for negotiations to solve differences between countries by peaceful means. Speaking at a banquet he hosted this evening in honor of the visiting Chinese National People's Congress (NPC) delegation, he stressed that it would not be difficult to remove the many hot spots in today's world if UN resolutions are observed and implemented. He said Greece's entry into the EEC will ensure its independence and freedom and will promote the unity of Europe.

Papasprou recalled the lasting contributions the ancient culture of Greece and China had made to world civilization. He noted the development of friendly and cooperative relations between the two countries in the past years.

In reply, Hao Deqing, leader of the Chinese NPC delegation, said that both the Greek and Chinese people cherish peace and independence and oppose aggression and war and want to have a peaceful international environment. He went on to say that "All peace-loving nations and peoples should get united and curb hegemonic expansion and aggression by such effective measures as those suited to their own conditions to make the international situation evolve towards peace and stability." He said that this was the first visit to Greece by a Chinese NPC delegation whose aim is to enhance friendship, deepen understanding and increase cooperation.

Hao Deqing and other delegation members called on Papasprou this morning and were received by Greek Foreign Minister Konstandinos Mitsotakis.

In the afternoon, they met with leaders of the opposition parties and exchanged views with them on issues of common interest. Chinese Ambassador to Greece Yang Gongsu was with the delegation on all these occasions.

The delegation arrived here yesterday evening for a six-day visit at Papasprou's invitation.

TURKISH PAPER REJECTS SOVIET 'FRIENDSHIP'

OW241616 Beijing XINHUA in English 1510 GMT 24 Feb 81

[Text] Ankara, 24 Feb (XINHUA)--"All the world believes that the Soviet Union attempts to advance into the Middle East, especially into the oil-rich Gulf area. The Soviet Union is carrying through its foreign policy of hostility and aggression in the name of peace, friendship and good-neighbourliness", said the Turkish daily SON HAVADIS in an editorial today. Commenting on NATO Major General Reynolds' remark that Turkey is under serious Soviet threat, Radio Moscow said recently in its Turkish service broadcast, "These claims are absolute nonsense because there is a deep-rooted historical friendship between Turkey and the USSR."

The editorial said, "While Turkey has always desired to have good relations with her northern neighbour, she nevertheless has also remained cautious in her relations with the Soviet Union." The editorial said, "The Soviet Union knows well that the world is apprehensive that some early morning the Soviet troops may march into Poland. Whatever our northern neighbour may say, her occupation of Afghanistan is not a friendly act."

The editorial said, "Turkey has never plotted against the Soviet Union. Yet, terrorism, against which Turkey is living through a relentless struggle, is a Soviet creation. The aims of the terrorists have been discovered to be annexation of Turkey to the Soviet bloc." The editorial said, "If a genuine friendship is intended between the two countries, as claimed by Radio Moscow, then the first thing that must be done is to protect such a relationship from dirty tricks."

The editorial concluded, "Thus Radio Moscow ought not be chagrined so much and admit that there is a grain of truth in what General Reynolds has said."

NPC STANDING COMMITTEE SESSION OPENS IN BEIJING

OW251050 Beijing Domestic Service in Mandarin 1000 GMT 25 Feb 81

[Text] The 17th session of the 5th NPC Standing Committee opened at the Great Hall of the People this afternoon. Peng Zhen, vice chairman of the NPC Standing Committee, presided over this afternoon's plenary session.

Present were Deng Yingchao, Ulanhu, Wei Guoqing, Tan Zhenlin, Peng Chong, Seypidin, Liao Chengzhi, Xu Deheng, Hu Juewen, Xiao Jingguang, Zhu Yunshan, Shi Liang and Banqen Erdini Qoigyil Gyancan, vice chairmen of the NPC Standing Committee. Zhao Ziyang, premier of the State Council, and Yao Yilin, vice premier and concurrently chairman of the State Planning Commission, attended the session as observers.

The main items on the agenda of this session are: To hear and discuss a report by Yao Yilin, vice premier of the State Council and concurrently chairman of the State Planning Commission, on readjusting the national economic plan for 1981 and on state revenue and expenditures; a report by Cheng Zihua, minister of civil affairs and head of the office in charge of national direct elections at the county level, on national direct elections at the county level; a report by Jiang Hua, president of the Supreme People's Court and concurrently president of the Special Court, on the trial of the principal defendants in the case against the Lin Biao and Jiang Qing counterrevolutionary cliques; to examine and discuss the State Council's revised draft regulations on workers and staff members visiting their relatives; and examine and discuss other matters.

At this afternoon's plenary session, Vice Premier Yao Yilin, entrusted by the State Council, made a report on readjusting the national economic plan for 1981 and on state revenue and expenditures. Vice Premier Yao Yilin's report was divided into three parts: 1. implementation of the national economic plan for 1980; 2. main content of the readjusted national economic plan for 1981 and policy measures; and 3. strive to increase economic results to promote a steady growth of the national economy.

In his report, Yao Yilin pointed out: Generally speaking, the national economic plan for 1980 was implemented better than expected at the time when the third session of the Fifth NPC was being held. The current economic situation is one of the best since the founding of the PRC. However, there are still potential dangers in this regard. Therefore, it is imperative to further readjust the economy.

Yao Yilin said: While further readjusting proportions in the economy, we must first strive to basically strike a balance between credit loans and their repayments and to consider the financial character in the issuing of money. At the same time, we must basically stabilize market prices. He said: While cutting the investment in capital construction, we must make sure that production steadily develops at a given speed. What is crucial in this regard is that while doing a good job of readjustment, we must greatly increase economic results in various fields.

Yao Yilin pointed out: To ensure smooth economic readjustment and the steady development of socialist modernization, it is imperative to achieve further political stability, to vigorously step up ideological and political work, to strengthen the revolutionary spirit of large numbers of workers, peasants and intellectuals to work hard for the prosperity of the country and to unite them as one to do their work well in a down-to-earth manner.

The session will discuss Vice Premier Yao Yilin's report in groups. Also present as observers were vice chairmen and Standing Committee members of the Fifth NPPCC National Committee as well as responsible persons of the standing committees of various provincial, municipal and autonomous regional people's congresses.

Yao Yilin Report

OW251248 Beijing XINHUA in English 1230 GMT 25 Feb 81

[Text] Beijing, 25 Feb (XINHUA)--Vice-Premier Yao Yilin, minister in charge of China's State Planning Commission, said today that the country's economic situation had rarely been better since the founding of new China in 1949. He was presenting his report on the readjustment of the 1981 national economic plan to the 17th meeting of the Standing Committee of the Fifth National People's Congress (NPC) which began today.

He said the readjustment was working better than had been envisaged at the Third Session of the Fifth NPC last August. However, he said, there was still danger ahead and further readjustment was necessary. Referring to the tasks for this year, Yao Yilin said, China must keep a balance between revenue and expenditure and between bank loans and funds, and stop over-issuing currency so as to stabilize prices. An important starting point, he said, was balancing the proportion of accumulation and distribution within the national income and to raise the spending power of urban and rural people.

Yao Yilin said greater industrial efficiency and strict implementation of the readjustment policies would provide the key to steady progress in production, while at the same time investment in capital construction would be reduced.

The vice-premier's report fell under three headings: the economic situation in 1980; main content and policies of the economic readjustment in 1981; plans to improve economic results and promote a steady increase in the national economy.

Other subjects on the agenda at the Standing Committee meeting are a report on the nationwide direct elections to people's congresses at county level, a report on the trial of the Lin Biao and Jiang Qing counter-revolutionary cliques, and discussion of regulations, and appointments to and removals from official posts.

Tomorrow the meeting is to have panel discussions on Yao Yilin's report.

Attending the plenary meeting today were Vice-Chairmen of the National People's Congress Standing Committee Peng Zhen, Deng Yingchao, Ulanhu, Wei Guoqing, Tan Zhenlin, Peng Chong, Seypidin, Liao Chengzhi, Xu Deheng, Hu Juewen, Xiao Jingguang, Zhu Yunshan, Shi Liang and Banqen Erdini Qoigyi Gyancan. Premier Zhao Ziyang was also present at the meeting, together with leaders of the provincial, autonomous regional and municipal people's congress standing committees as well as vice-chairmen and Standing Committee members of the National Committee of the Chinese People's Political Consultative Conference.

RENMIN RIBAO ON ELIMINATING LEFTISM IN HUNAN

HK250509 Beijing RENMIN RIBAO in Chinese 24 Feb 81 p 4

[Excerpts of 20 February HUNAN RIBAO editorial entitled "Eliminate 'Leftist' Influence To Push the Work of the Whole Province in a Better Way"]

[Text] Since the third plenary session, party organizations at all levels in our province (Hunan) have done a lot of work in implementing the line, principles and policies stipulated by the session. [paragraph continues]

Generally speaking, the political and economic situation in Hunan is quite good. However, the process of implementing the spirit of the third plenary session shows that the central issue most deserving consideration is that some of our cadres lack morale and unity. A number of contrary opinions have accumulated between upper and lower levels and between left and right among the cadres. We must have a clear understanding about this and make a clearheaded appraisal. We would rather overestimate than underestimate the situation--judging things to be a bit too serious and a bit too complicated.

Why do some people lack morale and unity? There is a profound historical reason for this. We need to correctly analyze and sum up our province's historical experiences and lessons in the past 30 years. Comrades familiar with conditions in Hunan all know that the province went in for many leftist things in the various political movements starting with the end of the 1950's. Many good comrades were harmed as a result. After the "gang of four" were smashed, our province conducted excessive publicity for the individual due to the ideological bindings of the "two whatevers," belatedly understood the importance of the discussion on practice as the sole criterion for testing truth, and failed to get a sufficient grasp of it. As a result, the influence of leftist thinking was never seriously and completely cleared away. Some people were even blindly complacent and arrogant. Although they had been influenced by leftism and done erroneous leftist things, they did not feel that these things were either leftist or erroneous. They were therefore never very straightforward and decisive in solving problems left over from history. This is why some cadres lack morale and unity. Hence, to solve the problem of lack of morale and unity among the cadres, we must start with education and adopt the method of keeping in touch with reality, recalling history, summing up work, and spontaneously taking stock of one's own thinking, in order to completely eliminate leftist influence and truly enhance the ideological and theoretical level of the cadres and their grasp of policies. Through education, we should ensure that after cool reflection, everyone will truly feel that the current line, principles and policies of the Central Committee are correct and will thus firmly maintain political unanimity with the Central Committee. We must soberly understand that generally speaking, there are only distinctions between more and less, between deep and shallow, and between late and early awareness, as far as leftist things among the cadres are concerned; there is no distinction between possession and nonpossession of such things. Unless this issue is clearly stated, certain comrades may only criticize leftist things in the upper levels and in other people without eradicating them from themselves, and they may also continue to apply leftist viewpoints and methods to regard the upper levels and other people. Meanwhile, we must clearly understand that in recalling history, our aim is to sum up experience, learn lessons and raise the cadres' ideological consciousness. It is not our aim to get entangled with settling old accounts and hold individuals responsible.

We must energetically consolidate and carry forward the political situation of stability and unity. Regarding certain shortcomings and mistakes inevitable in past and future work, we must continue to maintain the self-criticism spirit of seeking truth from facts and being open and aboveboard. We must have the courage to lead the way in solving existing problems. We must also dare to criticize and correct what is wrong and dare to cope with those who act against the law. We must have a clear-cut and not a vague attitude toward problems about what is right or wrong ideologically, rural policies, economic readjustment, and so forth. All cadres must take the whole situation into consideration, cherish the great ambitions of the proletariat and consciously promote stability and unity. Our province's investigation work, generally speaking, is satisfactory. In our approach toward those subjected to investigation, we must seek truth from facts. We must treat a mistake as it is without adding to it. We must continue to thoroughly reverse verdicts on those framed or wrongly accused. In solving problems left over from history, we must adopt a decisive, and not indecisive, approach. If some comrades who fought the "gang of four" were wrongly treated in the past, they must be thoroughly rehabilitated and cleared. [paragraph continues]

If some people use the correct line that they followed in the past as capital, if they insist that they have always been right despite the wrong line followed by them, and if they make trouble and launch improper activities against the party, they must be unhesitatingly subjected to criticism and education and even struggle.

VICE MINISTER ON PROMOTING MINORITY EDUCATION

OW250720 Beijing XINHUA in English 0705 GMT 25 Feb 81

[Text] Beijing, 25 Feb (XINHUA)--China will adopt measures to promote minority education, Vice-Minister of Education Zang Baiping said here today at a national conference on minority education.

At the conference, held February 16th through the 25th, the vice-minister said a number of boarding schools, both primary and secondary, will be established in the remote areas inhabited by minority nationalities. The move is designed to raise enrollment and to improve the quality of the education received. No school fees will be charged and, in addition, the students will be provided food subsidies by the government. Similarly, the vice-minister added, the state will move to upgrade the administration of the ten institutions of higher education for nationalities throughout China and establish more technical and secondary schools and colleges in minority autonomous areas.

Last year, the Ministry of Education set up a Department of Minority Education in cooperation with the State Nationalities Affairs Commission. Corresponding departments were also established throughout the autonomous regions, provinces and municipalities.

It is imperative to train large numbers of teachers in minority areas as record numbers of minority students are expected on school rolls in the coming years, said Zang Baiping. The government plans to rotate professors, specialists and experienced teachers from urban areas of the country through minority autonomous regions to lecture, while bringing teachers from minority areas to interior universities for advanced studies.

Another measure, said the vice-minister, will be improvement of minority languages instruction and publication of more teaching materials in those languages. The vocational schools will also fall under the new regulations.

China's 55 minority nationalities use more than 30 spoken and 20 written languages.

Asked about the problems of ideological education, Zang Baiping said, "We will continue education on the unity of the various nationalities and on patriotism."

RENMIN RIBAO EDITORIAL URGES LESS TALK, MORE ACTION

HK241442 Beijing RENMIN RIBAO in Chinese 20 Feb 81 p 1

[Editorial: "More Action, Less Talk"]

[Text] Talking less and acting more represents a work style that has been consistently advocated by our party. At the closing session of the 11th CCP Central Committee, Comrade Deng Xiaoping stressed that we must "indulge in less empty talk, do more work, get down to earth and work hard." This is of great realistic significance.

If we just talk and do not act, we of course cannot bring anything to fruition, be it big or small. Never does wealth grow out of spoken nonsense. Nor do difficulties ever yield to lies told. This principle as simple as ABC was thrown to the winds during the 10 years of turmoil. Lies and empty talk were the order of the day. Now this situation has obviously changed. Many comrades have stopped their empty talk and are seeking truth from facts and working in a down-to-earth manner. They have become men of action in socialist construction and have won the people's praise. However, due to the long influence of the "practice of empty talk," there still exist those people who, as Lenin said, "like to replace actions with discussions and work with empty talk."

Empty talk is very harmful. For instance, a meeting aims at studying and solving problems. If no advance preparations have been made and if there is no central topic for discussion, everyone rambles on endlessly and it becomes a meeting devoted to empty talk. In preparing the drafts of documents, we must analyze the situation and take charge of actual work. If we just talk about abstract principles, sing the same old song and say nothing that goes to explain or solve a problem, we only end up with a scrap of paper. In handling problems, we should first make investigations and studies, weigh the advantages and disadvantages involved, and get acquainted with everything concerned. Our attitude toward problems must be clear-cut and our views on them well defined. We must not be ambiguous about problems and adopt neither a positive nor negative attitude or engage in double talk. If we do not solve the attitude problem and other similar problems, it will be impossible for us to increase work efficiency.

Be it a case of readjusting the national economy, a case of tapping existing enterprise potentials and increasing production, or a case of further implementing firmly various responsibility systems in a quest for bumper agricultural crops this year, many urgent problems now call for solutions at the lower levels. Based on investigations and studies, we must adopt timely concrete measures. If the leadership organ or the leading cadre does not examine the new situation or refrains from studying new problems, no work progress can be made. Time and tide wait for no man. If we do not move forward, we slip backward.

The best way to cure "empty talk" is to get deeply involved with investigations and studies. In the 1960's, Comrade Chen Yun on many occasions visited peasant households studying aspects of pig-breeding, private housing, food supplies, and so forth. Some of our comrades do not make investigations and studies before they deal with problems. They inevitably end up talking nonsense. If we often go deep into reality, maintain contact with the masses, and find out about what they are thinking, their difficulties, their demands and their ways of solving certain problems, we can have the whole situation at our fingertips. We can thus draw up practicable plans and programs geared to different conditions and different needs and solve various problems on a timely basis. Therefore, the leading cadres at all levels must constantly go deep into reality. Spring festival has now passed. The leading cadres of some leadership organs have led large numbers of cadres to continuously go to the lower levels to make investigations and studies and to listen to all schools of thought. Such an approach should be energetically promoted and institutionalized.

The party Central Committee's general lines and specific policies are correct. We should thoroughly implement them. The key lies in focusing on several matters of decisive significance, tackling them in a planned and systematic manner and striving on this basis to solve problems in a down-to-earth manner. The main problem at present is readjustment. In line with the actual conditions of various areas and departments, we should find out about which projects should be "continued," which should be "discontinued" and how to improve on those projects to be "continued" and make proper arrangements for those to be "discontinued." These tasks are heavy and very complicated, and they call for hard and conscientious work. [paragraph continues]

It will not do just to say a few words and have ambitious plans drawn up. As an example, if petroleum suddenly fails to register any increase in production and the charcoal and coal industry is doing relatively well, then we must adopt some concrete measures to conserve whatever oil that we can and do a good job of coal and charcoal production. With cigarettes now in short supply, we must try by every means to solve problems one by one, from the growing of tobacco to the distribution of supplies, from cigarette production to sales. Also, as far as bicycles are concerned, the three brands--Fenghuang, Yongjiu and Feige--sell so well that demand exceeds supply. There is also a great demand for them abroad. These brands are profitable and help increase financial income. So we must adopt effective ways and means to develop their production in a down-to-earth manner. Regarding energy conservation, we must promote the importance of conservation and also properly tackle concrete matters, one by one. For instance, by seriously solving the boiler problem, we can take a big step forward in conserving energy.

Our party has traditionally advocated the practice of talking less nonsense and doing more concrete work. Though extremely busy with state affairs and greatly pressed for time, Comrade Zhou Enlai tackled every task in a very concrete way. Marx said that a practical movement counted more than a dozen programs. Whether in a department or an area, those comrades handling leadership work should change their work style to a down-to-earth manner and tackle several matters of top importance realistically. General appeals and empty discussions should be done away with.

GONGREN RIBAO DISCUSSES POLICY STABILITY

HK240848 Beijing GONGREN RIBAO in Chinese 8 Feb 81 pp 1, 3

[Contributing commentator's article: "On the Stability of Policies"]

[Text] The party Central Committee recently formulated the policy on further carrying out economic readjustment and achieving greater political stability. This is an important measure to guarantee that our country's socialist modernization construction will be carried out smoothly. The vast numbers of cadres, staff and workers throughout the country warmly support this policy. However, there are some people who regard this policy as "taking a new turn," saying: "Did they not say that all policies would remain stable and unchanged for several years? Why is it that the policies have been changed?" This calls for unified understanding of the party's policies.

Has the policy on further carrying out economic readjustment and achieving greater political stability changed various guiding principles and policies formulated since the third plenary session? It will not be difficult for us to draw a conclusion if we do the following three things: Compare this policy with all the documents and policies issued and promulgated by the party Central Committee since the third plenary session; review the practices carried out in the past 2 years and more; and conscientiously try to understand the spirit of the latest central work conference.

The third plenary session called on the whole party to emancipate the mind--for party members to use their minds--thoroughly correct leftist mistakes, proceed in everything from reality, study the new conditions and solve new problems. Over the past 2 years and more, our party determined a series of policies, carried out a series of reforms, gave full expression to this guiding principle and achieved remarkable success. The current further readjustment of the national economy also completely adheres to this guiding principle. Originally, following the third plenary session, the party Central Committee and the State Council put forward the guiding principle for "readjusting, restructuring, consolidating and improving" the national economy in the light of the actual conditions of the national economy caused by the 10-year catastrophe and after summing up our experiences and lessons in the economic construction gained since the founding of the PRC. [paragraph continues]

This guiding principle has not been efficiently implemented in the past 2 years because many comrades did not have a common understanding of the importance of readjustment, did not have a profound grasp of readjustment and failed to free themselves in a fundamental way from the long-term restraining influence of the erroneous "leftist" guiding principle. The recent decision made by the party Central Committee and the State Council on further carrying out readjustment of the national economy is aimed at overcoming current difficulties, removing hidden danger, ensuring the stability of the overall economic situation and enabling our economic work to regain the initiative. In a deeper sense, this decision is also aimed at enabling our economic work to shake off the yoke of the "leftist" practices in a fundamental way and to truly proceed from the actual situation in China. It is aimed at enabling Chinese economic construction to develop coordinately, healthily and steadily so as to avoid creating any more substantial economic difficulties. This shows that the policy on further carrying out economic readjustment is definitely not aimed at changing the guiding principles and policies formulated since the plenary session but is aimed at further implementing the third plenary session's guiding thought on seeking truth from facts and correcting leftist mistakes.

Of course, according to the dialectical materialist standpoint, everything is developing and changing and constancy is relative. This principle also applies to policies. With the changes in conditions and with the development of knowledge and understanding, policies should also be altered or renewed correspondingly and there may be changes in some specific ways of doing things. All these are not changes in the basic policies but are just aimed at perfecting the basic policies and enabling them to suit the actual circumstances better; besides, problems and deviations are hard to avoid in the course of implementing policies. Correcting any deviations made in implementing a policy and solving any problems in the implementation of a policy cannot be described as the negation of this policy. They are just aimed at ensuring the better implementation of a policy. For example, with the implementation of various economic policies, the whole national economy has been enlivened and many types of economic units, circulation channels and management styles have emerged. Therefore, we must strengthen economic legislation and management work. Otherwise opportunities for engaging in speculation, profiteering and smuggling will become increasingly rampant; the just enlivened and brisked market economy may be disrupted; and the initially achieved stable social order may be come chaotic once again. If these trends spread unchecked, they will adversely affect our work in readjusting the whole national economy. To protect legal undertakings and enliven our market economy, it is imperative to adopt the following measures: promulgate the proper policies, laws and decrees; strengthen market management; and resolutely hit hard at various illegal activities including speculation, profiteering and smuggling. We must never regard these measures as "tightening up policies." With the implementation of the principle of material benefits and with the earnest implementation of the policy of distribution according to work, we have changed the situation in which a hard-working person and a sluggard receive the same amount of remuneration and have also aroused the enthusiasm and initiative of our localities and grassroots units. However, some units and departments are entirely absorbed in promoting their own interests or personal interests, infringing upon the state's and the collective's interests while recklessly giving out bonuses under all sorts of pretexts, and even selling the state's means of production or raising prices in a disguised form. All these practices totally run counter to the principle of material benefits and the policy of distribution according to work. For this reason, the State Council has issued a circular detailing the unified criteria for giving out bonuses and calling for strict examination of the related supervisory systems and resolutely checking the practice of recklessly giving out bonuses. This circular is aimed at correctly implementing the principle of material benefits and the policy of distribution according to work. Therefore, we should not think that this circular means that the central authorities want to change the policy of distribution according to work. So long as we achieve a comprehensive and correct understanding of the party's guiding principles and policies, we can clearly see that over the past 2 years, our cause has continuously and healthily advanced along the line determined by the third plenary session and that the party's policies will continue to play tremendous roles. Those who think the current policies are changeable are confused.

The key to the stability of policies lies in a scientific formulation of policies. Erroneous policies and policies formulated under vague guiding thought are certainly changeable; there is no way to stabilize these policies. Only those policies that are formulated on a scientific basis can be described as stable. Therefore, scientific formulation of policies is a prerequisite for the stability of policies.

The policies of a proletarian political party must scientifically represent the will and interests of the masses of people, proceed from reality and reflect the objective inevitability of social development of the times. Only these kinds of policies can be described as correct and can be stable. Our party's past faults in exercising leadership over policies and in having unstable policies were committed due to the lack of the above-mentioned policymaking procedure. People will not forget the conditions of the 3 difficult years. At that time, the leftist premature advance which ignored objective reality caused a serious proportional dislocation. As a result, we had no choice but to greatly readjust the national economy. In fact, those circumstances forced our party to adopt practical and realistic policies. However, at that time, the "leftist" guiding thought had not been conscientiously cleared up and the ideological line had not been rectified in a fundamental way. Therefore, when the economic situation took a favorable turn, there were changes in policies and the old "leftist" guiding principles and policies were implemented once again. This historical experience shows that the key to formulating and implementing correct and stable policies lies in rectifying and upholding the guiding thought.

Over the past 20 years and more, our party has accumulated both positive and negative experience and lessons learned through many hardships and sufferings. Our present conditions are different from the previous ones. Our party's guiding thought has already freed itself from the long-term trammels of leftist ideas. Our party has reestablished the Marxist political, ideological and organizational lines. Since the third plenary session, our party's guiding principles and policies have been formulated on the basis of applying the basic standpoint of Marxism, of making investigations and studies and of deeply summing up historical experiences. They are a crystallization of collective wisdom. Formulating guiding principles and policies in this way avoids making mistakes in major policy decisions.

"The best policy is always the frank revolutionary policy." ("Collected Works of Lenin," vol 12, p 140) Now our party frankly tells the masses of cadres and people about China's real situation, abilities and difficulties and about the goals China may achieve through making great efforts, and gives wide publicity to the objective basis for formulating policies. Our party's reasons for doing so are: Our party believes that all the policies it has formulated conform to the interests of the masses of people; our party believes that all the policies it has formulated will enjoy the trust and support of the people and will be upheld by the people for a long period of time. Since the third plenary session, our party has formulated and implemented some major policies which conform to the actual situation in China and to the common aspiration of the people. The party is not changing these major policies today and will not change them for a long time to come. Moreover, whoever wants to change policy that has won the people's support and to backtrack will be rejected by the people.

EDUCATION OFFICIAL STRESSES IDEO-POLITICAL WORK

OW241251 Beijing XINHUA Domestic Service in Chinese 0220 GMT 24 Feb 81

[Text] Beijing, 24 Feb (XINHUA)--The March 1981 edition of the journal FU DAO YUAN [INSTRUCTOR] carries a reporter's interview with Vice Education Minister Zhang Chengxian, entitled "Be an Engineer in Building a Socialist Spiritual Civilization." In the interview, Zhang Chengxian answers questions concerning the strengthening of ideological and political work at middle and primary schools and of Young Pioneer work.

Train a Qualified Labor Reserve Force

Zheng Changxian said: At present some schools have been neglecting ideological and political work as well as Young Pioneer work. In running schools, consciously or unconsciously stress has been laid only on helping students enter higher schools and attention has been paid only to intellectual education and to the proportion of students entering higher schools while moral, physical and aesthetic education has been neglected. He said: This is incompatible with education by developing students in an all-round way--morally, intellectually and physically. It is imperative now to once again point out explicitly that the task of regular middle and primary schools is to train cultured laborers with socialist consciousness. It is always a small number of middle and primary school graduates who can go to college to pursue advanced study. The majority will mostly join the socialist labor force and engage in various undertakings of socialist construction. Therefore, in the same way as providing qualified freshmen for colleges, training a qualified labor reserve force for society should also be considered an achievement which cannot be underestimated.

Zhang Chengxian said: As is generally known, labor creates the world. In a socialist society, it is glorious to engage in labor and shameful to exploit others. He who does not work, neither shall he eat. Any kind of thinking which looks down upon labor and laborers is bourgeois thinking. The intellectuals in our country have become a component part of the working class. Therefore, as a component part of the working class, intellectuals must foster the revolutionary outlook on life by serving the people, that is, by sharing a common fate with the laboring people. It is imperative to teach the young people that it is an honor to be a cultured laborer with socialist consciousness and that they can become useful construction personnel and contribute to any undertaking in the socialist motherland.

Impart Knowledge and Educate People

Zhang Chengxian said: If our educators pay attention only to a handful of students and lay emphasis on their grades and the proportion of students entering higher schools, we will create the impression among students that one can become a useful person and find a job only by going to college. In this way, we will disappoint the majority of students who cannot enter college, impair their interest and confidence in study and even cause instability and confusion in their thinking. It will be difficult to train those students who have successfully passed college entrance examinations but have a poor ideological and moral foundation because of our stress on intellectual education and our neglect of moral, physical and aesthetic education to become talented people with both professional and management expertise and consciousness of building socialism. We must realize the serious consequences of this problem, free ourselves as soon as possible from the shackled thinking of stressing only grades and the proportion of students going to higher schools, implement the party's education policy in an all-round way and pay attention to moral, intellectual and physical education with the aim of training a new generation of people and fostering a new set of practices.

Zhang Chengxian said: As educating organs, schools must mobilize all teachers to do ideological and political work among students, imparting knowledge while educating them. It is necessary to combine moral education with intellectual and aesthetic education, infuse ideological education into the teaching of any subjects and into all activities, and train students to become a new generation of people with ideals, morals, knowledge and physical strength.

Vigorously Support the Instructor's Work

Zhang Chengxian said: The party Central Committee attaches great importance to the role of Young Pioneers' organizations in educating young people and children. However, some schools, especially middle schools, have not paid due attention to Young Pioneer work. This situation must change.

The strengthening of Young Pioneer work is an important guarantee for conducting effective ideological and political education at junior middle and primary schools. Carrying out education among students through their own organization is our party's glorious tradition and a successful experience in its work on children's education. Practice of the past 31 years proves that a school that has successfully sponsored Young Pioneer activities can carry out lively ideological and political work. Educational departments and school authorities at all levels must effectively strengthen Young Pioneer work, appoint a sufficient number of Young Pioneer instructors as soon as possible and provide sufficient time and support for Young Pioneer activities.

Zhang Chengxian said: Ideological and political work is a science. We urgently need cadres of all talents who are good at doing ideological and political work and organizing and managing this work. It is necessary to fully affirm the labor and achievements of instructors and other political workers. They should be treated equally and not be discriminated against, in grading, promotions or appointments. It is necessary to select outstanding teachers to fill the post of instructor. It is also necessary to pay attention to the instructor's advanced study and their study material so as to help them continuously raise their ideological and professional standards.

In conclusion, Zhang Chengxian said: Teachers and instructors have been called "engineers of the mind." To put it more explicitly and specifically, they should be called engineers in building a socialist spiritual civilization. I hope that they will live up to this honorable title.

GUANGMING RIBAO REPORT ON ELIMINATING LEFTISM

HK250308 Beijing GUANGMING RIBAO in Chinese 15 Feb 81 p 3

[Report by Wei Xuding [5898 2485 1353]: "Only by Completely Curing the Stubborn Disease of Leftism Can the Implementation of the Line and Policies Laid Down Since the Third Plenary Session of the Party Central Committee Be Possible--Cadres Above the Regiment Level of the Artillery Division of the Beijing PLA Units Study the Spirit of the Central Work Conference"]

[Text] In their recent study of the spirit of the central work conference, cadres above the regiment level in the artillery division of Beijing PLA units unanimously held that in order to effectively implement the line and policies laid down since the 3d plenary session of the 11th party Central Committee, we must completely cure the stubborn disease of leftism.

During their study, many comrades said that for a long time, leftist thinking has infiltrated various aspects of our social life. Its major indications have been: the magnification of class struggle, the tendency in handling economic relations to build entities which are "large in size and collective in nature." "high targets" in economic construction, "uniformity" in work methods, "lying, boasting and empty talk" in propaganda and so forth. Leftist thinking has brought extremely great harm to our economic construction, inflicted great injury on the people's spirit and brought about grave results in army building. Some comrades have thought that after the discussion on the criterion of truth and the efforts to bring order out of chaos in the past few years, the influence of leftist thinking would have been more or less eliminated. However, by analyzing some concrete events, everyone has come to see clearly that leftist thinking still stubbornly exists and the "two whatevers" are still restricting the thinking of some people. Thus, they often feel that the policies implemented by the party since the third plenary session of the Central Committee are rightist and the orientation of the reforms is wrong. If this longstanding stubborn disease of leftism is not completely cured, their actions might come into conflict or even come to oppose the party's line, principles and policies laid down since the 3d plenary session of the 11th party Central Committee.

Everyone also held lively discussions centering around the question "Why leftist thinking could not be rectified after such a long time" and dug out the root causes of leftism:

In terms of class origin, leftism is the manifestation of petit bourgeois fanaticism. The political peculiarities of small producers consist of shortsightedness, proneness to be overwhelmed by the euphoria of victory and inclination to commit the mistakes of blind adventurism and absolute egalitarianism.

In terms of social origin, China is a large country and an economically backward and poor country. People are impatient to do away with poverty and backwardness. Leftist thinking and leftist line catered to the people's mentality of being impatient to see results. Thus, it was very attractive and was easily accepted by the people.

In terms of historical origin, since the founding of the People's Republic, our party mainly criticized rightism and did not criticize leftism on the question of opposing certain tendencies. Sometimes, it even mistook leftism for rightism and criticized it as such, thus creating a "phobia of rightism" in the people's mind.

In terms of ideological origin, it is a subjective and metaphysical thing. It is the subjective surpassing the objective, theory's being divorced from reality, taking possibilities as reality, mistaking the accidental for the inevitable and taking ideals as applicable policies.

During the study, everyone also discussed the methods of eliminating the influence of leftist thinking. They held that in order to completely cure the stubborn disease of leftism, they must persevere in exerting efforts. The political commissar of a certain regiment, Zhao Yanzhou, said that for a time from now on, we must take the elimination of the influence of leftist thinking as the basic task of ideological line education in the army. We must be resolute, exert efforts and produce concrete results.

SHANGHAI JOURNAL INTERVIEWS STATE ECONOMIST

HK190630 Shanghai SHIJIE JINGJI DAobao in Chinese No 15, 12 Jan 81 p 4

[Reporter's interview with economist He Jiangzhang [0149 1696 4545]: "The New Economic Forms Appearing in the Country"]

[Text] Editor's note: Currently, our state is carrying out large-scale readjustment of the national economy, and some new economic forms have recently appeared within the state's economic structure. In light of this, our reporter interviewed He Jiangzhang, deputy director of the Institute of Economics of the State Planning Commission. He answered the reporter's questions and clearly explained the various views on these new economic forms. [end editor's note]

Question: What new economic forms have appeared in the present economic structure?

Answer: Apart from the original forms of the ownership of the whole people and collective ownership, the following new economic forms have successively appeared: 1) joint venture enterprises owned by all the people and the collective; 2) joint venture enterprises owned by individuals and all the people; 3) joint venture enterprises owned by individuals and the collective; 4) joint venture enterprises owned by the Chinese Government and foreign investors; 5) businesses run by Overseas Chinese or Hong Kong and Macao industrialists and businessmen; 6) businesses run by foreign capital; 7) businesses run by individuals; and 8) businesses run by privately raised funds. These new economic forms have played a very important role in speeding up production of social products, enlivening urban and rural markets, making life easier for the masses, providing more opportunities for employment and improving the livelihood of the workers and peasants.

Question: What are the forms of joint venture enterprises owned by all the people and the individual?

Answer: The main form is where the enterprises under the ownership of the all the people take in private capital to run joint-stock companies. At present, there are three different types:

1. Some departments in charge directly organize the private raising of funds to run limited companies. For instance, some departments in charge adopt the method of issuing stock to attain capital to run shops, trade warehouses, textile processing limited companies, and so on. People have the freedom to buy and to sell their stocks.
2. The government organs are responsible for the raising of funds to run integrated factories. For instance, Fuyang Municipality in Anhui Province had to develop light and handicraft industries in the course of economic readjustment. However, there was not sufficient capital for this development and departments concerned had to adopt the method of raising funds from the masses. They widely mobilized collective units of factories and enterprises, shops, districts and streets, communes and brigades and individuals such as workers, residents and peasants to invest by buying stocks. Investors could have been given a post if they wanted one, but they were not required to take a post. The dividend rate might be 10 percent higher than the bank's savings interest rate. At least 70 percent of the enterprise's profits must be retained and no more than 30 percent of the profits can be turned over to those units which raised the investment funds. At present, about 80 enterprises are running or preparing to run businesses in this manner. If they can be put into operation in 2 years' time, the production value is expected to increase by 100 million yuan and it will provide employment for more than 5,000 young people.
3. State enterprises take in idle capital from staff and workers of their own factories to run limited companies. For instance, they mobilize their staff and workers to raise funds and buy stocks, and make use of the workers' and the staff's leftover work hours, equipment and potential and local resources to run enterprises.

Question: What are the present forms of joint venture enterprises owned by the individuals and the collective?

Answer: The main form is where the enterprises owned by the collective take in capital from individuals to expand the productive force of the enterprises or to run limited companies. Currently, the following variations have appeared:

1. Enterprises under collective ownership in the urban areas take in idle capital from staff and workers of the local enterprises to expand the enterprises' productive force. The staff and workers can use their funds to buy unrestricted amounts of stocks. Dividends will be distributed to the shareholders according to the amount of profits at the end of the year. However, when there are no profits, the shareholders still retain the principal.
2. In order to develop diversification, arrange for surplus labor and find solutions to the problem of insufficient capital, communes and brigades in the rural areas have adopted the method of raising capital to develop commune and brigade enterprises and run limited companies. For instance, Kangji commune of Qingshen County in Guizhou Province has established the "joint agricultural, industrial and commercial enterprise company" by means of asking communes, brigades and commune members to invest by buying shares. The company raised some 1.2 million yuan by selling each share at 100 yuan. Regarding the profits, 10 percent is to be turned over to the communes, 20 percent will be used to expand production and 70 percent will be distributed as dividends to the shareholders depending on the amount of profits. Another example is found in Jinti commune of Heze County in Shandong Province. The commune allowed collective units, cadres, workers and peasants to buy shares with cash or even with tools, houses and land which prices had been affixed. [paragraph continues]

The shareholders were free to hold or sell their shares. Dividends are distributed to them according to shares if the enterprise makes a profit and the shareholders do not have to pay more if there is a deficit; and 60 percent of the profits are distributed as dividends to the shareholders according to the amount of profits. Another such example is found in Chengjiao commune of Panshan County in Liaoning Province. Since there was relatively abundant surplus labor, the commune adopted the method of offering a post in the factory along with capital investment to run 5 commune enterprises and arranged jobs for 250 laborers.

Question: Are there any new forms of the collective economy?

Answer: A number of new forms of collective entities have successively appeared in the past year since service trades have developed in various areas. They are mainly manifested in the form of organizing businesses on a voluntary basis, with the businesses raising their own funds and assuming sole responsibility for their profits and losses. It is not necessary to give specific examples of this since there are many such examples in various provinces.

Question: What new forms of individual economy have appeared?

Answer: Individual economy has been gradually developing in our state since last year. The number of individual industrial and commercial undertakings have increased from 250,000 in 1979 to some 500,000. Among these individual undertakings, some are run by single individuals, some are run by couples or by an entire family.

Currently, there are these new forms found within the individual economy: 1) some technical undertakings recruit one or two apprentices; 2) some handicraft undertakings employ people to process outside of factories since the products have to go through very complicated procedures; 3) some retired cadres or teachers run private tutorial classes; and 4) some peasants in the rural areas have bought used cars and tractors which are used to transport goods during the slack season. These forms involve the question as to whether private individuals can employ others and possess large-scale means of production, which also involves questions on theory and policy.

Question: What are the people's views concerning establishment of enterprises run by privately raised funds?

Answer: This question mainly concerns whether employment of workers and establishment of private enterprises are allowed or not. At present, there are two different views concerning this question:

First, our country is a socialist country. Capitalism and socialism are fundamentally incompatible with each other. Therefore, by adopting a more flexible policy, the state absolutely is not implying that capitalism will be restored in regard to the question of ownership. The reason for this is: 1) Exploitation and employment of workers violate basic Marxist principle. 2) Our Constitution stipulates the existence of individual undertakings which are not exploitative type activities, but it does not stipulate the existence of exploitation. The CCP Central Committee has put forward a proposal on allowing part of the people to become rich first on the basis of socialist principle but absolutely not on the basis of exploiting the labor of others. Therefore, exploitation of labor should be forbidden in our country. We must forbid currency from changing into capital and labor force into a commodity in order to avoid polarization. 3) We have advanced on the socialist path for 30 years and we absolutely must not retreat now due to problems in our past work. 4) We must proceed with a consistent policy. Having suffered from disturbances due to various lines for a long time, our country has just begun the work to restore the economy, and it cannot go through anymore sufferings. 5) We must designate the various uses of foreign and local capital. It is essential to import and utilize foreign capital and the capital of Overseas Chinese and Chinese compatriots in Hong Kong and Macao under certain circumstances in order to increase certain capital construction projects and to import new technology. However, it is absolutely not necessary to develop private enterprises at home. The state can issue and encourage private individuals to purchase shares and bonds which provide appropriately higher dividends than bank savings interest.

The other view is that the country's current economic situation is relatively backward. It is not disadvantageous to practice capitalism to a certain extent, to employ a few workers and practice some exploitation. As a matter of fact, this will help to remedy the flaws of socialism. The grounds for this are: 1) In our socialist country where there is the leadership of the CCP, the state economy occupies the dominant position under the control of industrial and commercial management departments at all levels and state policies. Practice of capitalism to a certain extent is not capable of changing the nature of the socialist system. 2) There is now a great deal of idle labor, idle means of production and idle capital in society. They will form a very strong material force if we integrate the three. Now, we should not eliminate conditions for private economy but have to rely on them to supplement socialism. Thus, why can we not develop capitalism to a certain extent under such circumstances? 3) In view of the history of the development of the society as a whole, capitalist economy is the advancement of individual economy. What is the point of permitting individual economy but forbidding the more advanced capitalist economy? Moreover, capitalist economy has been eliminated far before its roles had been brought into play in the country's history. Since we have advanced too much in the past, why should we not now take a few steps in retreat? 4) Since we permit foreign capital and Overseas Chinese to run businesses and build factories in China, we should also permit the Chinese people to invest money and build factories in their own country. We should permit them to make use of their capital, technology and management experiences to serve socialist construction within the scope permitted by state policies. 5) Practice of capitalism to a certain extent can create an antithesis for the national economy and can enable the national economy's management to improve through competition. 6) The economy is closely related with the political situation. Practice of capitalism to a certain extent is conducive to achieving the return of Taiwan to the motherland, attracting foreign capital and attracting Overseas Chinese and compatriots of Hong Kong and Macao to invest in the country.

Question: Then, how do you view these diversified economic forms taking place in the economic structure?

Answer: Not long ago, a few other comrades and I went to Shanghai and Guangdong for a short time to carry out investigations. We have held discussions with some of the comrades of the local planning committee, social sciences academy and its research departments concerned, and universities on this issue. The relatively unanimous view was that at present, the development of productive force in our state is relatively slow and the material basis for socialism is relatively weak. In order to speed up economic development, only the ownership of the whole people and collective ownership are not enough to constitute the whole economy where the system of ownership is concerned. Therefore, we must allow various diversified forms of ownership to exist in the economy on condition that the socialist public ownership system occupies the superior position, in order to supplement the socialist public economy. They will plan an active role in developing the economy, providing more opportunities for employment, enlivening the market and improving the people's living conditions. However, we still have diverging views on certain questions.

Question: What are the major aspects concerning diverging points of view?

Answer: For instance, whether the diversified forms are an objective inevitability or just an expedient measure is an issue which is of fundamental importance. These two views are divergent in nature.

Question: On what basis do people say that the appearance of diversified forms is an objective inevitability?

Answer: Comrades who support this view think that: 1) There is a transitional period from capitalism to communism and we are now situated at the initial stage of this transitional period. In this stage, constituents and the various diversified economic forms will definitely exist as a result of a relatively slow development of the productive force. In the wake of the continuous development of the social productive force, economic relations will also constantly change and eventually change into the unitary economy of ownership by the whole people. However, it takes a relatively long period of time to realize this change.

2. The productive forces determine the relations of production. Economic development is in a state of imbalance in our country. At present, the productive force varies at different levels. Therefore, we must develop an appropriate economic structure, that is, a multilevel economic structure in which socialist public ownership is absolutely superior in both the state sector of the national economy and the individual economy.

3. Practice over 30 years in our state proves that we cannot solely rely on the forms of state and collective economy to meet the demands of social production and the people's livelihood. We must adopt various forms of diversification to supplement the economy of public ownership. Only by doing this, can we enliven the economy and speed up development of the national economy.

Question: On what basis do people say that the appearance of diversified economic forms is just an expedient measure?

Answer: Comrades who hold this view think that: 1) Our country's present economic situation is relatively backward. On the one hand, we lack capital for construction and on the other hand, there is abundant surplus labor not being utilized. In order to overcome the temporary difficulties, the state has to bring into the country both the private capital and the technology of Overseas Chinese, foreigners and individuals by means of various channels to solve the problem of insufficient capital and unemployment. This is in fact a transitional expedient measure but not a demand of the objective economic law.

2) Our state is presently carrying out economic readjustment and has adopted the principle of reforming the economic system and readjusting the national economy in accordance with actual conditions. Under the guidance of this principle, it is necessary to make use of various constituents and adopt various forms of diversification. However, this is just a temporary measure. The situation will rapidly change as soon as the reform and readjustment tasks are accomplished and production is increased.

3) Private investment involves the question of socialist superiority. If we recognize that enterprises run by private investment is a must, it implies that socialist economy has become inferior.

Question: Are there any other views regarding the appearance of the forms of diversification?

Answer: Some people think that it is absolutely necessary to enliven the economy in order to promote the national economy. However, we must pay careful attention to the extent we practice diversification. At the same time, the state also has to strengthen its leadership over macroeconomic planning, guidance and administrative work, to do a good job in developing its plans and avoid blindness. The state has to study the new situations and the new problems which are expected to crop up in the next 5 years, 10 years or even for a longer period of time, in order to ensure the steady development of the national economy.

In short, the appearance of the new economic forms creates a series of urgent significant problems concerning theory and policy. Thus, we are obliged to carry out thorough investigations, link theory with practice, to find correct solutions and stipulate the proper limits of policy to speed up development of socialist construction.

CHEMICAL FIBER INDUSTRY EXPANDS FOR MORE CLOTHING

OW250734 Beijing XINHUA in English 0715 GMT 25 Feb 81

[Text] Beijing, 25 Feb (XINHUA)--Nylons, polyesters and polyacrylic fabrics and knitwear are seen more often in China nowadays as people have more money to spend on clothing. The annual output of cotton-polyesters which have only become popular in the last decade has topped 2,000 million meters. Chemical fibers now account for 12 percent of the raw materials for China's textile industry, second only to cotton. Mixed woollen, silk and ramie polyesters as well as polyacrylic bulk yarns and blankets have also come on the market. Now gaining popularity are viscose polyesters and knitted stretch polyesters.

According to the Ministry of Textile Industry, the chemical fiber industry has seen tremendous growth in the last two years. In 1980, output of chemical fibers reached 440,000 tons, more than one third over 1979. That year's increase over 1978 was 14.4 percent. Chemical fiber production will continue to expand this year while output of the natural fibers, cotton, wool, silk, flax and ramie, will also increase, said the ministry. Synthetic knitwears and viscose-polyesters are among the key synthetic textiles this year.

Last year the big Liaoyang general petrochemical fiber plant in Liaoning Province put its olefine production line into operation and its nylon production line into partial operation. A big petrochemical fiber plant in Tianjin also started trial operation in 1980. These enterprises are expected to go into partial or full operation this year. Finishing equipment will be added this year in many mills to raise quality.

BEIJING HIGHLIGHTS PUBLISHING PLANS FOR 1981

OW250740 Beijing XINHUA in English 0722 GMT 25 Feb 81

[Text] Beijing, 25 Feb (XINHUA)--The first volume of "Liu Shaoqi's Selected Works" and volume two of "Zhou Enlai's Selected Works" marking the 60th anniversary of the founding of the Chinese Communist Party are among many important works which will be published in Beijing this year, according to the State Publication Bureau. Revolutionary reminiscences, "Talk on the History of the Chinese Communist Party" and "History of the Chinese New Democratic Revolution" are also on this year's publication list. Volumes 41 and 44 of "Marx and Engels" in Chinese will go to press this year as well.

Other new releases will mark the 70th anniversary of China's 1911 republican revolution. The People's Publishing House and the China Bookstore will print works by renowned leaders of the revolution, including Sun Yat Sen, Huang Xing and Song Jiaoren. Volumes entitled "History of the 1911 Revolution" and "Essays About the 1911 Revolution" will also come out.

The People's Literature Publishing House will put out "Lu Xun's Collected Works" (1 to 16) to mark the centennial of his birth which falls on September 25. Articles in memory of Lu Xun by his wife Xu Guangping, his brother Zhou Jianren, noted writers Ba Jin and Mao Dun and researcher Xu Shoushang will be printed as well.

The China Bookstore, which specializes in publication of Chinese ancient and modern literature, history and philosophical works, will continue its publication of profiles of more than two hundred noted ancient Chinese writers in a series entitled "Basis of Chinese Ancient Classics" and "Ancient Novels." Volumes seven and eight of "Inscriptions on Tortoise Shells" which trace the roots of the Chinese writing system will come out too. Also on the list are new works by Mao Dun, Xia Yan, Ding Ling, Yao Xueyin and other noted contemporary writers and reportage, novels and poems by a number of gifted younger writers.

More translations of foreign literature will be published, including classics, modern works, theories on literature and art and collections of short novels. Philosophical works by Aristotle, Hegel, Darwin and Ricardo will be printed in a series under the title "World's Noted Philosophical Works in Chinese."

JIEFANGJUN BAO: CIRCULAR URGES AFFORESTATION

OW250109 Beijing Domestic Service in Mandarin 2230 GMT 24 Feb 81

[Text] According to a JIEFANGJUN BAO report, the PLA General Staff headquarters, General Political Department and General Logistics Department recently issued a circular to the entire PLA on energetically promoting afforestation and speeding up tree-planting in areas where units are stationed. The circular calls on all PLA commanders and fighters to foster a good habit of planting trees and taking good care of forests, to take part actively in afforestation activities of their own units or of those organized under unified plans by local authorities, and to make contributions to afforesting the motherland.

The circular points out: Planting trees everywhere and making the country green is a major strategic task. Leading cadres at all levels must regard it as a major undertaking. The circular calls on the entire PLA, on the basis of planting more than 25 million trees and afforesting tracts of land totaling more than 60,000 mu last year, to strengthen nurturing and management and help trees grow into forests and timber resources soon.

Those units that have failed to plant trees and change the appearance of their environment for a long time must take vigorous action, draw up plans, make great efforts to prepare the land, dig holes, collect manure, prepare saplings, bring about an upsurge in tree-planting around arbor day and do a solid job in covering their areas with trees.

BEIJING CONFERENCE URGES SURVEY OF PRC'S WATERS

OW251230 Beijing XINHUA in English 1221 GMT 25 Feb 81

[Text] Beijing, 25 Feb (XINHUA)--Surveys of China's seas and the oceans located near China were mapped at a work conference called by the State Oceanography Bureau, which closed here this week. The conference recommended surveys and scientific research of China's marine resources, littoral areas and polders.

In the meantime, the conference noted, China's oceanic environments must be protected and the accuracy of marine hydro-meteorological forecasts need to be improved.

RENMIN RIBAO: SHANGHAI YOUTHS RETURN TO XINJIANG

HK250515 Beijing RENMIN RIBAO in Chinese 20 Feb 81 p 1

[Reprint of Shanghai WEN HUI BAO report: "Over 1,000 Shanghai Young People Who Returned to Shanghai To Visit Relatives Are Going Back to Xinjiang, With an Equal Number of Young People Preparing To Do So Shortly"]

[Text] By 15 February, over 1,000 young people who returned to Shanghai to visit relatives have gone back to Xinjiang and an equal number of young people are preparing to do so shortly.

These young people are sticking to the task of opening up the frontier and dedicating their youth to the construction of the border areas. In response to the call made by the party in 1963, party member Chen Peipei of the Tangjiawan neighborhood left school to take part in construction in Xinjiang. Half a year later, she returned to Shanghai and convinced her younger sister and another 100 young people to go to Xinjiang.

For 18 years, she consciously and earnestly dedicated her youth to the construction of Xinjiang. After returning to Shanghai to visit relatives in the latter part of last year, she received a letter from a fellow worker in Xinjiang informing her that people are stirring up a movement to leave Xinjiang. Her sister had also disposed of her household belongings and moved out of her registered residence in anticipation of returning to Shanghai. Chen Peipei felt that as a party member she must return at once to Xinjiang to do some useful work for the party. She therefore left Shanghai on 29 January before the expiration of her leave. When she returned to Shanghai at the end of last year, Li Fenyong of the Xiaodongmen neighborhood was hoping to take over the job of her father who had just retired. However, as she was ineligible under the conditions of replacement, she therefore cheerfully returned to Xinjiang last month. Jin Xiaoping of the Jiangsu neighborhood is a teacher in the primary school of a farm in Xinjiang. When she returned to Shanghai to visit relatives during the holiday, she was influenced by others and thought of remaining in Shanghai. Later, upon studying the situation, she began to see things clearly. After taking into consideration her 18 years of hard struggle in Xinjiang, the fact that she had married and settled down, the serious congestion in Shanghai and the many unemployed youths unable to obtain work, she felt that she should take the public interest and the overall situation into account and return to work in Xinjiang. Therefore, she has decided to go back to Xinjiang shortly.

Many parents are enthusiastically encouraging their children and friends to grasp the glorious work of building up the frontier. Famous Shanghai opera performer Yang Feifei has two children working in Xinjiang. This time when her daughter Zhao Liumei returned to Shanghai to visit relatives, she believed rumors and thought of moving back to Shanghai. When Yang Feifei heard of that, she immediately patiently educated her daughter. Consequently, on the third day after the spring festival, the girl cheerfully returned to Xinjiang to take part in production and construction. Zhou Qiangfen, a cadre in the Huangpuchu People's Government, and Xu Julian, a cadre in the Dongchang neighborhood office, also actively mobilized their relatives to return to Xinjiang.

The departments concerned have also actively helped the young people who are going back to Xinjiang to solve their difficulties. The young people said: "After returning to Xinjiang, we must do our work well and contribute our efforts to the construction of the border areas. We must be worthy of the expectations of the people of Shanghai."

MINISTRIES STRESS SHOWING FILMS FOR CHILDREN

OW250501 Beijing XINHUA Domestic Service in Chinese 0212 GMT 25 Feb 81

[Excerpts] Beijing, 25 Feb (XINHUA)--Recently the Ministry of Culture and the Ministry of Education jointly issued a circular to all provincial, municipal and autonomous regional culture bureaus (motion picture bureaus) and education departments on earnestly scheduling special film showings for children and actively expanding film-showing activities for children. The circular calls on cultural and educational administrative departments, in accordance with the party Central Committee's guideline that the whole party should pay attention to education for young people, to fully utilize motion pictures as important imagery propaganda and an educational tool and to vigorously launch propaganda and educational activities with showings of beneficial, varied and colorful motion pictures.

All cinemas, theaters, film-showing units of clubs and so forth that are open to the public and middle and primary schools in all localities should provide conditions to facilitate the development of film propaganda and education activities for young people and children. Admission fees for special showings of children's films should be set on a preferential basis, specific rates to be decided by the localities themselves.

Film-showing units should pay special attention to bringing into play the strong knowledge, interest and amusement characteristics of news and documentary films and science education films, assemble films of similar contents and properly organize special showings of various categories of films such as famous mountains and great rivers, places of historic interest and scenic beauty, local conditions and customs, physical culture and public health, calligraphy and fine arts, archeology and historical relics, astronomy, geography, science and technology, education on morality and courtesy and films calling on young people to love the motherland and science and so forth.

The circular calls on localities to make further efforts to restore and build children's movie theaters to consolidate and expand the front of film-showing for children.

The circular points out: Local authorities should commend and reward film-showing units and individuals who are enthusiastic in organizing special film showings for students and children and who have achieved obvious results.

CHINA YOUTH NEWS ENDS DISCUSSION ON LIFE'S MEANING

OW241313 Beijing XINHUA in English 1245 GMT 24 Feb 81

[Text] Beijing, 24 Feb (XINHUA)--"The young people of China are experiencing a new awakening," the CHINA YOUTH NEWS said today as the national youth newspaper concluded its seven-month discussions on the meaning of life. The nationwide discussions started with a letter from a distraught young woman who wrote of her disillusionment following the chaos of the Cultural Revolution.

A total of 70,000 letters on the subject were received by the newspaper since last July. The letters were from young workers, peasants, students as well as veteran revolutionaries, generals, writers and professors. More than 300 of the letters were published in the paper.

In a front-page article prepared by the paper's ideological and theoretical department the CHINA YOUTH NEWS said that the bulk of the letters expressed the willingness of China's young people to determine the true purpose of life. Many letter writers told of their own experiences that included frustration and despair to a new hope for life. A female hotel worker from Henan Province said in her letter that she was so disillusioned that she had attempted suicide. "I've changed my mind. I want to join in the discussions and find the true meaning of life," she wrote.

Difficulties do exist in our society, the paper said. Chinese youths now confront many practical problems such as employment, continued education, housing, marriage and low wages. Some young people let the problems overtake them, but most forge ahead in an effort to improve life, the paper said. A Beijing youth expressed the mood of many when he wrote: "Life never has pity on the defeated. The brave advance in the face of setbacks while the foolish flinch. Glory to those who stick to their high ideals in hard times."

In general, the letters reflected the progress of the younger generation from superstition to faith in science, from obsession in personal grief to commitment to the historical task of rebuilding the country, from signs and complaints to hard study and work, the newspaper said. In conclusion, the paper said, the exploration of the meaning of life is never ending. "It is our modest hope that the discussions can be of some help to the younger generation on their road of advancement."

ANHUI PEOPLE'S CONGRESS HOLDS PREPARATORY MEETING

OW241421 Hefei Anhui Provincial Service in Mandarin 1100 GMT 24 Feb 81

[Text] This station has learned that the Third Session of the Fifth Anhui Provincial People's Congress held a preparatory meeting at the Jianghuai theater in Hefei City this afternoon. It was presided over by Hu Kaiming, vice chairman of the provincial People's Congress. Addressing the preparatory meeting, Vice Chairman Hu Kaiming of the provincial People's Congress said: A total of 1,036 deputies were elected to attend the second session of the fifth provincial People's Congress. Twelve deputies passed away between the second and the third sessions of the fifth provincial People's Congress, whereas one deputy was dismissed from his post and the status of another was restored. Meanwhile, another 12 deputies have been elected to meet official needs. Now we have 1,036 people's deputies. Some 926 deputies have been registered for the forthcoming session, 110 deputies have not yet checked in because of illness or personal matters, and 16 other deputies are now on temporary leave. Exactly 910 deputies are attending today's preparatory meeting.

A 78-member presidium was elected at the meeting. Hu Kaiming was elected secretary general of the Third Session of the Fifth Anhui Provincial People's Congress. An agenda for the congress was approved at today's preparatory meeting. The first session of the presidium was held following the conclusion of the preparatory meeting. The first session of the Bills Committee, the meeting of the Credentials Committee, and the first meeting of the Committee for Examining the Financial Revenue and Expenditure, Budget and Final Account were also held simultaneously.

Congress Agenda Set

OW241423 Hefei Anhui Provincial Service in Mandarin 1100 GMT 24 Feb 81

[Text] The following is the agenda for the Third Session of the Fifth Anhui Provincial People's Congress, which was adopted on 24 February 1981 by a preparatory meeting for the convening of the session:

1. Hear and discuss the reports by the provincial People's Government on the implementation of the province's 1980 economic plan, arrangements for its 1981 economic plan, the provincial final accounts for 1979, the implementation of the provincial budget for 1980 and the draft provincial budget for 1981.
2. Hear and discuss a report by the Standing Committee of the provincial People's Congress on its work.
3. Hear and discuss the reports by the provincial Higher People's Court and the provincial People's Procuratorate on their work.
4. Elect some additional responsible persons in the province.
5. Adopt resolutions on several reports.
6. Speech by Comrade Zhang Jingfu.

ANHUI CPPCC CHAIRMAN DELIVERS WORK REPORT

OW242011 Hefei Anhui Provincial Service in Mandarin 1100 GMT 24 Feb 81

[Text] According to a station report, Chairman Wang Zenong of the Anhui Provincial CPPCC Committee, entrusted by the Standing Committee of the Fourth Anhui Provincial CPPCC Committee, delivered a Standing Committee work report after the conclusion of the opening ceremony on 23 February.

In the report Wang Zenong pointed out: Since the convocation of the 2d Plenary Session of the 4th Anhui Provincial CPPCC Committee in January last year, under the guidance of the 3d Plenary Session of the 11th CCP Central Committee and under the leadership of the Anhui Provincial CCP Committee, the political situation has been stable and there has been progress in economic construction in the course of readjustment throughout the province thanks to the joint efforts of all the people in the province.

A lively situation prevails in the fields of agriculture, industry and finance and trade. There are remarkable achievements in these fields, and the entire situation is fine. The various policies of the party have been further implemented, and the revolutionary, patriotic united front has been further consolidated and developed.

Vice Chairman Wang Zenong said: In the face of the new situation, the provincial CPPCC Committee actively carried out various activities and made new progress last year to fulfill the great task assigned it by the new historical period. Last year the provincial CPPCC Committee on various occasions organized its members and the people of all walks of life to enthusiastically participate in the various political activities of the state and suggest ways and means for the development of the four modernizations program. It actively carried out its work with regard to Taiwan on the basis of the Taiwan policy formulated by the central authorities. To keep pace with the developing new situation, it organized the people of all walks of life to study political theories as well as measures to put these theories into practice. It relied upon and organized the people of all walks of life to enthusiastically carry out work on compiling literary and historical materials. It also strengthened its guidance to the municipal and county CPPCC organs and helped them to carry out their work.

After reviewing the CPPCC work in the past year, Vice Chairman Wang Zenong stressed: Recently the work conference of the party Central Committee decided to further carry out economic readjustment and promote political stability. This is a correct and important principle. We, the provincial CPPCC Committee, must resolutely implement the guidelines set by the work conference of the CCP Central Committee. At the same time, we must take effective measures to bring into full play the role of all CPPCC organs and according to the historical characteristics and the merits of the CPPCC to fulfill the requirements put forward by the Anhui Provincial CCP Committee on curtailing capital construction, increasing production, reducing expenditures, balancing the budget, keeping commodity prices under control and invigorating the market.

In his report, Vice Chairman Wang Zenong said that the provincial CPPCC Committee must carry out its work as follows:

1. It is necessary to convene committee meetings, including Standing Committee meetings, regularly to carry out democratic discussions on major state policies and on important issues with regard to the four modernizations and people's livelihood, and to offer criticism, suggestions and opinions to bring into full play the role of CPPCC organs. It is essential to regularly convene democratic consultative conferences according to plans of the provincial CCP Committee and with the participation of the responsible persons of various democratic parties and of all patriotic personages to discuss major current issues. Particular efforts must be made to study the documents of the work conference of the CCP Central Committee and fully understand the important principle of further carrying out economic readjustment and promoting political stability, to unify our thinking and actions and to join our efforts in working arduously, persistently and dauntlessly.
2. It is necessary to regularly discover the work and living conditions of intellectuals by sponsoring forums and conducting investigations. It is essential to politically and professionally unite with and rely upon them and to take care of them materially.
3. It is necessary to do a good job in carrying out work with regard to Taiwan and to contribute to the early return of Taiwan to the motherland and realize the sacred cause of national reunification. Efforts must be made to strengthen ties with the compatriots from Taiwan and with the relatives and friends of military and government officials in Taiwan and to regularly carry out related various activities and propaganda work.

4. On the basis of the guidelines laid down by the work conference of the CCP Central Committee, it is necessary to actively organize CPPCC members and the people of all walks of life to suggest ways and means for the development of the four modernizations program.
5. It is necessary to do a still better job in compiling literary and historical materials. Efforts must be made to vigorously save literary and historical materials in close connection with the various activities to mark the 60th anniversary of the founding of the party and the 70th anniversary of the 1911 revolution, to incessantly improve work in sorting out the historical materials and to do a good job in editing and publication work.
6. It is necessary to continue strengthening guidance over the CPPCC work at the municipal and county levels and bring into full play the role of all CPPCC organs.

NANJING PLA AIR FORCE HOLDS YOUTH WORK CONFERENCE

OW250208 Nanjing Jiangsu Provincial Service in Mandarin 2300 GMT 24 Feb 81

[Text] The Air Force of the Nanjing PLA units held a youth work conference 18-21 February. The conference emphatically studied the question of how, under the new situation, to educate and guide the masses of young fighters to be vanguards in building a socialist spiritual civilization.

The comrades who attended the conference conscientiously studied the guidelines of the working conference of the party Central Committee and the all-army political work conference and, in the light of the actual situation in army-building, came to fully understand the extreme importance of the socialist spiritual civilization now being vigorously promoted to the building of a modern revolutionary army.

It was decided at the conference to extensively develop activities in the entire unit to learn from Lei Feng, foster a new spirit and be civilized. A call was issued to grass-roots CYL branches to achieve the following: three no's, which are, no political incidents, no administrative incidents and no violations of law and discipline; five beauties, which are, beauty in ideology, that is to be honest and faithful, frank and pure, ardently love the party, the people and socialism and resolutely implement the party's line, principles and policies; beauty in appearance and manner, that is, to dress neatly and in good taste, deport oneself in a dignified manner and wear no beard or long hair; beauty in speech, that is, to speak politely, be civilized and courteous and use no abusive or foul language; beauty in conduct, that is, to be united and friendly, find it a pleasure to help others, actively do good and courageously fight against evildoers and evil deeds; and beauty in the environment, that is, to pay attention to sanitation, take good care of public property, consciously plant trees and beautify the barracks. These activities are aimed at enhancing the ideological consciousness of the masses of young fighters and creating a good trend--for everyone to learn from Lei Feng and strive to be like Lei Feng.

JIANG WEIQING SPEAKS AT JIANGXI YOUTH MEETING

HK230648 Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 22 Feb 81

[Summary] The first session of the fourth provincial youth federation and the third provincial student federation congress were convened in Nanchang on 21 February. Provincial CCP Committee First Secretary Jiang Weiqing made an important speech to all the participants. "He called on CYL members and young people throughout the province to clearly understand the current situation, unconditionally maintain political unanimity with the Central Committee, strive to build socialist spiritual civilization, and strive to act as models in study, work and defending stability and unity during the economic readjustment."

Comrade Jiang Weiqing's speech was in three parts: "1) clearly understand the situation and make active contributions in economic readjustment; 2) strengthen political and ideological work and strive to build socialist spiritual civilization; 3) strengthen leadership over youth work and bring into full play and shock role of youth."

In his speech Jiang Weiqing said: [begin recording] "The more difficult the times and the more contradictions there are in young people's thinking, the more must we apply the four basic principles to unify their thinking and guide them to maintain the correct political orientation and reaffirm their confidence in continuing to advance. We must launch all kinds of activities centering on the needs of economic readjustment, to bring into full play one role of CYL members and young people as shock forces, and make a success of readjustment and production. We must organize young people to study theory, culture, science, technology and management. We must do everything possible to tap the resources of youth and cultivate more talented people for the four modernizations.

"We must guide young people to preserve the political situation of stability and unity to ensure the smooth fulfillment of the task of readjusting the national economy. They must take the lead in observing discipline, and struggle against all criminal and law-breaking activities. We must teach CYL members and young people to be models in observing discipline and preserving stability and unity." [end recording]

In elaborating on the importance of building socialist spiritual civilization, which had been wrecked during the 10-year catastrophe, Jiang Weiqing stressed the importance of promoting ideological and political work for young people and teaching them good manners and behavior.

In conclusion Jiang Weiqing said: [begin recording] "While promoting stability and unity and economic readjustment, party committees at all levels must strengthen leadership over the CYL and the youth and student federations and bring their role into full play. Party committees must seriously discuss the major problems in the work of the CYL and youth and student federations, and invite CYL secretaries of corresponding levels to take part in the necessary meetings and regularly explain to them the party's principles and policies and current work focus. The party committees must listen to their reports, find out the situation, and guide and help them in solving difficult problems in work." [end recording]

JIANGXI ISSUES CIRCULAR ON SPRING FARMING

HK210354 Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 20 Feb 81

[Excerpts] The Jiangxi Provincial CCP Committee and People's Government issued a circular on 20 February on concentrating forces to do a good job in spring farming. According to the circular, green manure, rapeseed, wheat, barley and other spring-ripening crops are growing very well and there are great prospects for a bumper harvest.

However, it must be pointed out that at present too many meetings are being held throughout the province, and the efforts of the leaders are rather scattered. Labor forces in many places have not yet been concentrated for preparing for spring farming. The production responsibility systems are not yet stable enough. Some communes and brigades have not yet formulated their production plans or their measures for increasing production. There is less domestic manure than in previous years. Some places have not been strict enough in looking after draft animals, and there is a shortage of these animals in some areas. These problems are bound to affect the smooth progress of spring farming unless solved in good time.

The circular demanded that the province do a good job in the following tasks in order to promote preparations for spring farming and win victory in spring farming:

1. Strengthen leadership over spring farming. It is necessary to rapidly cut down the number of meetings and avoid holding unnecessary meetings. Meetings and speeches should be brief and vigorous efforts should be devoted to solving actual problems. There should be no more changes in the size of the rural brigades and production teams. The production responsibility systems and the readjustment of the leadership groups must be implemented as quickly as possible, ensuring that relative stability is maintained. In accordance with the spirit of the central and provincial CCP Committee work conferences, it is necessary to grasp education in the situation, in policies and in the party's fine traditions in light of the mental state of the cadres and masses, to boost people's morale and spirits and strengthen unity. People will thus work in concert to promote spring farming.
2. Fully formulate the agricultural production plans. The province's agricultural production plan for the year has already been transmitted downwards. All places must make rational arrangements for implementing the plan in light of local conditions. Apart from counties, communes and brigades where forestry and industrial crops are the main undertaking, all places must put grain production in the first place. In general there should be no reduction in grain sowing areas. While ensuring steady increase in grain production, the province should actively develop industrial crops and vigorously promote diversification.
3. Strengthen the tending of the spring-ripening crops.
4. Do a good job in all preparations for spring farming.
5. All trades and sectors must do a good job in supporting spring farming.
6. Leading party and government comrades at all levels in the province and the prefectures, municipalities and counties must spend time going down to the frontline of agriculture to investigate and study. In particular they must go to certain places where there are many problems and work is rather backward, to help the basic levels to implement the spirit of the central and provincial CCP Committee work conferences, formulate agricultural production plans, solve problems in spring farming, report the situation, exchange experiences, and spur on the whole effort.

DAZHONG RIBAO DISCUSSES SUPERIORITY OF SOCIALISM

SK240940 Jinan Shandong Provincial Service in Mandarin 2300 GMT 23 Feb 81

[Report on 24 February DAZHONG RIBAO frontpage contributing commentator's article: "Socialism Will Certainly Succeed"]

[Excerpts] The article states: The establishment of a socialist system in China was of profound historic significance. It has been proven by indisputable facts that only socialism can save China. Fully understanding and bringing into play the superiority of socialism is particularly important in our efforts to uphold the four basic principles, carry out the economic readjustment and four modernizations with confidence and consolidate and develop the political situation of stability and unity.

The article continues: To judge whether the socialist system is superior, above all we should see whether it suits the development of productive forces and whether it can protect and promote their development. In our country, fixed assets in 1979 were 20.8 times greater than in the early postliberation period; the total industrial and agricultural output value was 13.4 times greater; grain output was 2.5 times greater; and cotton output was nearly 5 times greater. The number of communications and industrial enterprises has increased to 400,000 in the country, and many new industries, sciences and technologies have been developed out of nothing. National income has also increased greatly.

In our province, total industrial and agricultural output value was 11.9 times greater than in the early postliberation period and grain output was 1.8 times greater.

The number of large, medium-sized and small enterprises at or above the commune level has increased to 18,000. Compared with the early postliberation period, our present annual coal output is 24 times greater, and our annual electricity output is 74 times greater. Oil production has developed from none to 20 million tons a year, and chemical fertilizers from none to 5 million tons a year. The living standards of the people in both rural and urban areas have also greatly improved. Such tremendous achievements scored in a short span of 31 years can be attributed to the superiority of the socialist system.

Some people say that we should not compare the present with the old China, in which productive forces were underdeveloped. They say that compared with developed capitalist countries, our production has grown too slowly. Marxism points out that we should not look at a problem without considering the time, place and conditions. Our socialist system has been established after we overthrew the semifeudal and semicolonial system. If we look at our problems without considering this fact, we cannot seek truth from facts, nor can we understand the disadvantages of the system in the old China and the benefits of the socialist system. The reason why some people are skeptical and vacillating about the superiority of the socialist system is that they fail to see the essential aspect of the problem and the essential difference between the socialist system and the capitalist system.

The article says: To give full play to the superiority of the socialist system, we should unswervingly implement the party's line, principles and policies. Some people are overly critical of the party's line, principles and policies, always finding fault with this or that. They never stop to think how they can contribute to the development of the superiority of the socialist system. Such an attitude is extremely harmful. At present, if we conscientiously implement the policy of achieving a further economic readjustment and political stability and develop the national economy in a planned and balanced manner, we will be able to bring into full play the superiority of the socialist system and smoothly carry out the socialist modernization. We are convinced that when the influence of the leftist mistakes is eliminated and the difficulties on the road of advance are overcome, the socialist system will certainly be improved, its superiority will be fully developed, its prospects will become bright and it will succeed.

SHANDONG MEMORIAL RALLY HONORS YOUNG MARTYR

SK211152 Jinan Shandong Provincial Service in Mandarin 2300 GMT 20 Feb 81

[Excerpts] The Jinan [word indistinct] auditorium was solemnly decorated yesterday. Pictures introducing martyr (Zhu Wenqi's) heroic deeds were on display in an adjoining room. Some 1,500 people, including party and CYL members, cadres from provincial and Jinan municipal-level organizations, commanders and soldiers of locally stationed PLA units and representatives from all walks of life, attended a rally commending outstanding party member and young hero (Zhu Wenqi).

Responsible persons of the provincial party committee, the provincial congress Standing Committee, the provincial People's Government, the provincial military district and the Jinan municipal party committee, including Li Zichao, Xu Jianchun, Wang Zhongying, Lin Ping, Chen Lei, Zhang Zhusheng, Zheng Zijiu, Ding Fangming, (Wang Chenglian), Wei Jianyi and (Zhu Ming), attended the rally. Also on hand were responsible persons of departments concerned of the province and Jinan Municipality.

Comrade Li Zichao, secretary of the provincial party committee, said at the rally: Today we are attending this commendation rally with a deep feeling of grief and remorse. Comrade (Zhu Wenqi) was an outstanding party member, a good citizen and a young man with good prospects who sacrificed his own life to save others. His premature death in the prime of life makes our grief even more unbearable. Our grief notwithstanding, we are proud of and even gratified with the heroic deeds of (Zhu Wenqi) and his comrades in arms (Huang Ye) and (Liu Wenhui) in rescuing a drowning boy. Their heroic deeds constitute a stirring song of victory for the communist spirit.

SHANGHAI CYL HOLDS PLENARY SESSION 18-23 FEB

OW240517 Shanghai City Service in Mandarin 1130 GMT 23 Feb 81

[Text] The Fourth Plenary Session of the Seventh Shanghai CYL Committee, which was held from 18 to 23 February, decided on the major tasks of CYL work in the city this year. It stressed that practical steps should be taken to strengthen and improve the CYL's ideological-political work, to enhance the CYL itself, to educate youth to maintain unswerving confidence in the socialist cause under the leadership of the party, to advance the communist spirit energetically, and to become the vanguards in building socialist material and spiritual civilization.

The session relayed the guidelines of the conference of secretaries of provincial, municipal and autonomous regional CYL committees convened recently by the CYL Central Committee. The session discussed and approved the gist of the work of the Shanghai Municipal CYL Committee in 1981. It exchanged the experience gained by the grassroots CYL organizations in developing ideological-political work. The session also discussed certain questions about convening the second congress of young new Long March shock workers and shock brigades. The session called on CYL organizations at all levels to educate youth on the current situation and tasks, on the party's line, principles and policies, and on the love of the socialist motherland and the party. All this should be coordinated with the party organizations. The session stressed that sustained efforts should be made to advance education on communist ethics and on training youth to become useful persons who will strive to make the country prosperous and strong, so that the CYL role can be fully utilized in making economic readjustment in Shanghai.

Zhong Min's Address

OW240620 Shanghai City Service in Mandarin 1130 GMT 23 Feb 81

[Text] Zhong Min, secretary of the Shanghai Municipal CCP Committee, made a report this afternoon at the Fourth Enlarged Plenary Session of the Seventh Shanghai Municipal CYL Committee, at which he called on party and CYL organizations at all levels to train youth conscientiously so as to turn them into a generation of new persons with revolutionary ideals, true ability and communist moral qualities. Comrade Zhong Min said: To make youth work a success, it is most important to strengthen political-ideological work. The youths are active in thinking; they are sensitive and have no fear in exploring the truth; there are great possibilities for us to mold them well. Therefore, it is necessary to publicize the party's line, principles and policies and promote revolutionary spirit and revolutionary ideals among them, to teach them good manners and courtesy and to cultivate the communist spirit of hard struggle and of finding pleasure in helping others.

Comrade Zhong Min said: To do youth work well, party organizations at all levels should strengthen leadership over the CYL in light of the party's line, principles and policies, and should let the CYL organizations do the concrete work themselves. Leadership should be an art that shows 1) correctness, 2) persuasiveness, 3) examples, and 4) interest in youth. Lively education should be done in keeping with youths' characteristics.

BRIEFS

JIANGXI PLANNED PARENTHOOD--Jiangxi scored outstanding achievements in planned parenthood in 1980. The natural population growth rate fell from 13.74 per 1,000 in 1979 to below 10 per 1,000. In Yichun Prefecture the growth rate fell to 7.51 per 1,000. Over 70,000 couples with only 1 child took out single-child certificates. [Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 3 Feb 81 HK]

SHANDONG GOLD OUTPUT--The 1980 gold output in Shandong Province increased 12.27 percent over 1979. Its tunneling footage was 83,000 meters, double that of 1979. In 1980 the province made use of 13.99 million yuan of construction subsidies to innovate, transform and tap the potential of 114 gold excavation projects. [Jinan Shandong Provincial Service in Mandarin 2300 GMT 13 Feb 81 SK]

GUANGZHOU RIBAO ON PROMOTING ECONOMIC READJUSTMENT

HK191201 Guangzhou RIBAO in Chinese 29 Jan 81 p 1

[Commentator's article: "We Must Unconditionally Maintain Political Unanimity With the Party Central Committee"]

[Text] Recently the party Central Committee further analyzed the Chinese political and economic situation, correctly summed up our experiences and lessons gained in economic work over the past 31 years, determined the major policy on further carrying out economic re-adjustment and achieving greater political stability, decided on tasks, policies and major measures for our economic work and drew up a plan for further strengthening political and ideological work. All these things are the continuation and development of various correct principles and policies formulated since the 3d Plenary Session of the 11th CCP Central Committee, the further implementation of the guiding thought for seeking truth from facts and correcting the leftist mistakes, and also the further implementation of the guiding principle for "readjusting, restructuring, rectifying and improving" the national economy. Therefore, they have great and profound significance.

The implementation of the party's correct lines, guiding principles and policies depends on the strength of party organizations at all levels and all party members to unite with and lead the masses of people in implementing them. Therefore, party organizations at all levels and all party members must unconditionally maintain political unanimity with the party Central Committee. Otherwise, the party's line, guiding principles and policies will face obstruction, will not be accepted without some reservation and will even be hindered from being implemented.

How are we to maintain political unanimity with the party Central Committee?

First of all, we must conscientiously study the important speeches made by responsible comrades of the Central Committee and correctly understand and have a good grasp of the spirit of the policy decisions made by the Central Committee. On this basis, we must link our understanding and grasp the actual situation in our departments and units, sum up our own experiences and lessons and formulate concrete measures to implement the spirit of the policy decisions. Here, we must point out that achieving a correct understanding of the current situation is an essential prerequisite. We are now laying stress on economic re-adjustment and political stability. Is the situation good or bad? We should say that the situation is very good. However, we also have big problems. Since the smashing of the "gang of four" and particularly since the third plenary session, the party Central Committee has determined once again the correct political, ideological and organizational lines, strengthened socialist democracy and the legal system, rehabilitated and developed the national economy, improved the people's livelihood and scored remarkable achievements. The Guangzhou municipal finance and economy have been enlivened and business there is brisk. Judging from last year's purchases and sales of goods, revenue and the people's savings deposits in Guangzhou, we can see that they have all topped their highest levels in history. The Guangzhou residents' purchasing power in 1980 increased by over 800 million yuan as compared with 1979. The whole party and people throughout the country are happily forging the closest unity to promote the four modernizations. The current Chinese political situation can be described as the most stable since the 1960's and the current Chinese economic situation is also very good. These things are there for all to see and are generally recognized facts. However, there are still great difficulties on the road of advance. Under a very good economic situation, we must not lose sight of the hidden dangers, namely, the emergence of relatively large financial deficits, the excessive money supply and the increases in commodity prices. We must analyze these conditions from a historical point of view. Over the past 20 years and more, we have made "leftist" mistakes in guiding economic work and caused serious dislocation of the economic proportions. [paragraph continues]

During the 2 years following the smashing of the "gang of four," we underestimated the serious difficulties caused by the 10 years of upheaval, did not thoroughly investigate the "leftist" mistakes and lacked experience in modernization, thus putting forward some slogans and goals which exceeded our country's financial and material capabilities. These slogans and goals have aggravated the dislocation of the economic proportions and aggravated the financial and economic problems. To put an end to the passive and dangerous state of affairs in a fundamental way and to promote the four modernizations in a safe and smooth way, the party Central Committee has made the policy decision on economic readjustment in a timely manner. The matter is quite clear: Only by resolutely carrying out readjustment can we gradually coordinate our economic proportions, eliminate financial deficits and achieve a quicker development of the industrial and agricultural production. Taking a step backward is aimed at taking two steps forward; moreover, our readjustment is not simply a retreat. Our readjustment involves retreats and advances. Therefore, the guiding principle for our readjustment is a healthy and sober one. Some comrades fail to see the principal aspect of the situation and do not understand that beating a retreat is aimed at making an advance and that advances are made while beating retreats. As a result, these comrades are full of worries and do not have much faith in the realization of the four modernizations. Other comrades only see partial and local interests, show no consideration for general interests and take a vacillating attitude toward the guiding principle for readjustment. All these are unnecessary and wrong. The implementation of the guiding principle for readjustment has an important bearing on the basic interests of people throughout the country and affects the overall situation of the four modernizations. Under the unified leadership of the party Central Committee, we must quickly formulate plans and measures in the light of specific conditions in our own departments and units, forge the closest unity possible, go all out and be certain of victory.

Secondly, we must strengthen organizational discipline, obey the party Central Committee's orders in all our actions and implement without the slightest reservation the guiding principle for economic readjustment. In fulfilling the tremendous task of economic readjustment, we must not only achieve sober understanding of the existing difficulties but must also see the favorable conditions. During the previous economic readjustment carried out in the early 1960's, the national economy suffered a serious decline, and many areas even had difficulties feeding the population. However, the present industrial and agricultural output is constantly increasing. During the previous readjustment, the supply of major commodities was seriously inadequate to meet the demand, but presently there is a relatively abundant supply of major commodities. There was a serious drop in bank deposits at that time but in recent years there has been a steady yearly rise in bank deposits. Moreover, our economic relations with foreign countries have been strengthened. These are all favorable conditions. However, we must not lose sight of the great difficulties in our work such as the great numbers of people and arduous tasks involved and the effect of our work on the people's livelihood. We must also watch out for a very few people with ulterior motives who might regard the readjustment as an opportunity to make trouble. Just because the task of readjustment is arduous and has many difficulties, party organizations at all levels and all party members must further strengthen organizational discipline: The individual is subordinate to the organization, the minority to the majority, the lower level to the higher level and the entire membership to the Central Committee. A party member, who has a differing view on the theoretical and policy issues of great political nature which have already been determined by the party Central Committee, can discuss his view on a proper inner-party occasion and can put forward his view through a proper organizational procedure. [paragraph continues]

However, this party member must not spread antagonistic views among the masses and must not take a negative and resistant attitude. Therefore, with regard to the party Central Committee's guiding principle for readjustment and its policies on and major measures for readjustment, we must concentrate our forces to implement them under unified leadership. We must not implement them half-heartedly, we must not comply with them in public but oppose them in private, and we must not reject or decline to implement them. We must understand that the current readjustment is the continuation and development of all correct guiding principles and policies formulated since the third plenary session and is the further implementation of the third plenary session's guiding thought on seeking truth from facts and correcting leftist mistakes. Some people have originally taken a skeptical and resistant attitude toward all correct guiding principles and policies formulated since the third plenary session and even refused to implement them in the first place. With the emergence of the guiding principle for readjustment, these people now think that all will be "changed" and that the truth seems to be on their side once again. This is not only a misunderstanding but is also a totally wrong view. Changes must still be made. That is to say, we must overcome the existing shortcomings in our work which do not conform to the spirit of the third plenary session and be determined to give up all impractical plans and all subjectively high targets. These are precisely the demands made on us by the line of the third plenary session. We can surely overcome difficulties and smoothly fulfill the tremendous task of economic readjustment as long as we see both the favorable conditions and the difficulties in our work, conscientiously strengthen organizational discipline, subordinate our personal, partial and local interests to those of the collective and the whole, resolutely implement the party Central Committee's policy decisions and try in every possible way to help the party and the people to get over difficulties.

Third, we must uphold the four basic principles, carry forward and develop the party's fine tradition and work style and justly and forcefully struggle against all kinds of words and deeds that infringe upon the interests of the party and the people. All party members must uphold the four basic principles which are their code of conduct and are also the specific demand on enabling the whole party to achieve unity in thinking and to march in step. To fulfill the tremendous task of economic readjustment, party organizations at all levels and all party members are required to uphold the four basic principles. Of the four basic principles, the most important ones are strengthening party leadership and persisting along the socialist road. It is imperative to enable the party to meet the needs of the new situation in the ideological and organizational fields and in work style. The current readjustment is a test for party organizations at all levels and to all party members. In the course of readjustment, we must further strengthen our ideological and political work, restore and carry forward the party's fine tradition and work style, build closer relations between the party and the masses, share the comforts and hardships of the masses, engage in plain living and hard work, conscientiously overcome various unhealthy tendencies including the practice of seeking personal privileges and bureaucratic practices, resolutely oppose various evil and perverse trends including ultra-individualism and anarchism and justly and forcefully struggle against all kinds of words and deeds that infringe upon the interest of the party and the people. Due to the current implementation of a liberalized policy, while we are importing advanced foreign science and technology, we may also bring in many evil things of capitalism. Due to the implementation of special policies and flexible measures in Guangdong, with the development of economic relations with foreign countries, many economic and social problems as well as problems with the general mood of society have already emerged. After failing to withstand surprise attacks with sugarcoated bullets, some party members and leading party cadres have taken advantage of their positions and power to collude with people both at home and abroad, taken bribes, participated in smuggling, engaged in speculation and profiteering, made great fortunes through "foreigners" and brazenly violated the party discipline and the state law. [paragraph continues]

In Guangzhou, the southern gate of the motherland, the imperialist, social-imperialist and Kuomintang spies, the remaining forces of Lin Biao and the "gang of four," the leaders of all underground organizations and publications that oppose our party and socialism, the criminals engaged in taking bribes and smuggling, the gangs of hooligan and criminals and the leading elements engaged in actively stirring up and engineering troubles are presently wantonly carrying out all kinds of sabotage activities. We must resolutely take strong measures against them and break them up. Only by conscientiously promoting party style, strengthening the people's democratic dictatorship and safeguarding the political situation of stability and unity can we realize our economic readjustment and promote the four modernizations smoothly.

The road of revolution is by no means smooth. However, to us communists, there are no insurmountable obstacles and difficulties. Let us inspire enthusiasm, strengthen our faith, rally closely around the party Central Committee and make a due contribution to promoting our economic readjustment and to realizing the four modernizations.

GUANGXI RIBAO ON IDEOLOGICAL WORK AMONG YOUTHS

HK200008 Nanning Guangxi Regional Service in Mandarin 1130 GMT 16 Feb 81

[Report on 16 February GUANGXI RIBAO commentator's article: "Strengthen Ideological and Political Work for Youths"]

[Excerpts] It is a pressing and significant issue at present that we should devote major energies to strengthening ideological and political work for youths, bringing into full play the role of youths as a shock force, safeguarding and developing the good situation of stability and unity in our region and ensuring that the readjustment of the national economy is carried out smoothly. Party organizations at all levels have already attached importance to ideological and political work for youths. Many cadres of the party and government have tried to make more contacts with the youths in order to promptly solve ideological and practical problems existing among youths that can be solved and lead them to work in concert for the four modernizations. This has brought into full play the role of youths as a shock force in a relatively good way. However, a few unit leaders do not attach sufficient importance to ideological and political work for youths. In order to cope with the development of the new situation, we must sum up experiences and lessons, fully understand the importance and urgency of ideological and political work for youths and put it on the agenda of the work of the party committees.

The CYL is the bridge and link between the party and youths. We must educate the youths in the communist spirit, under the leadership of party organizations. Centered on the four basic principles, we must purposefully carry out ideological and political work for youths in a deepgoing and meticulous manner. We must help the youths to have a correct understanding of the current good situation and the existing difficulties.

The political and economic situation facing us is good. However, some youths do not have a correct understanding of the good situation, and they have wrong ideas about the difficulties. We must help the youths to understand that the policy decision of the party Central Committee to further readjust the national economy represents the basic interests of the people throughout the country, and also guarantees the basic and long-term interest of the youths throughout the country, and that it is the correct step for stabilizing the building of the four modernizations. At the same time, we must make them understand that ours is a big country with a large population, weak foundation and low standards. The speed of the four modernizations and the improvement of the people's living standard must not exceed the limitation of the actual conditions. We must proceed from the fundamental condition of our country when discussing problems and putting forward demands and dealing with other matters.

The current "retreat" is actually preparing for the stability of the overall situation and active control over it, so as to make further progress. We must lead the youths to correctly understand the situation, envisage their future, strengthen their confidence, spontaneously implement the party's line, policy and principles and correctly handle the relations between current and long-term, and partial and overall interests, shoulder the burdens of the party and the country and make contributions to stability and unity and to economic readjustment.

We must uphold the four basic principles and teach youths to love the party and the country. At present, a few youths do not have sufficient understanding of this. We must apply ideological and political work to lead the youths to further understand the rationale that the new China could not exist but for the CCP, and there could be no socialist construction.

The article said: We must teach the youths to become a new generation which possesses communist ideology and morals. We want to build a modern socialist country, with a high degree of both material and spiritual civilization.

Starting from Yanan to the new China, our elders relied on revolutionary spirit for several decades. We must educate the youths and adolescents to inherit and carry forward the spirit of Yanan and the pioneering spirit of the early post liberation period, and learn from the devoted spirit of the revolutionary martyrs for the communist cause, and the noble quality of the communist fighter, Lei Feng, who served the people wholeheartedly. We must resolutely oppose and criticize admiration of capitalism, inclinations toward bourgeois liberalization, corrupt and money-minded bourgeois thinking, anarchism and extreme individualism. We must strive to achieve civilization, and good manners, discipline, morals and hygiene.

The article said in conclusion: To strengthen ideological and political work for youths and solve their ideological problems, we must persist in the policy of guiding their energies, and avoid simple, rude and suppressive measures. Leading cadres of the party and the government at all levels and youth workers must try their best to contact the youths, make friends with individual youths, listen to them and give them advice so as to help them to have a correct view and method when analyzing and observing problems, cultivate their ability to distinguish right from wrong and devote major energies to commending and publicizing good people and good deeds.

BRIEFS

GUANGDONG RURAL ENTERPRISES--The total income of Guangdong's commune and brigade enterprises last year was 3.7 billion yuan, an increase of 10.6 percent over 1979. There has been a big increase in the number of these enterprises engaged in cultivation and animal husbandry. Many enterprises have promoted exports to Hong Kong and Macao. The total value of such exports rose by 25 percent last year. [Guangzhou Guangdong Provincial Service in Mandarin 1120 GMT 6 Feb 81 HK]

HUNAN PLANNED PARENTHOOD--Hunan Province did well in planned parenthood last year. The province's natural population growth rate fell to below 10 per 1,000 the lowest in recent years. In 1970 the rate was 21.65 per 1,000. Some 2.15 million fewer babies were born in the 1970's than in the 1960's. According to comrades attending a provincial conference of planned parenthood office directors in Changsha on the eve of the spring festival, there will be a great increase in the numbers of young people of marriageable age in the next year of two, due to the marriage age provisions of the new marriage law. Judging by the province's current population structure, the province will be facing a sustained upsurge of births in the next decade. Hence the task of advocating late marriage and controlling population growth remains very arduous. [Changsha Hunan Provincial Service in Mandarin 1100 GMT 7 Feb 81 HK]

GUIZHOU PEOPLE'S CONGRESS SESSION OPENS 23 FEB

HK240147 Guiyang Guizhou Provincial Service in Mandarin 2315 GMT 23 Feb 81

[Summary] The Third Session of the Fifth Guizhou Provincial People's Congress opened in Guiyang on 23 February. The session is being attended by 132 people's deputies, representing the 27 million people of the province. Comrade Chi Biquing presided at the opening ceremony. Provincial People's Congress Standing Committee Chairman Xu Jiansheng delivered the opening speech. He said: "At present Guizhou is facing a tough task in readjusting the national economy. We must firmly and unconditionally maintain political unanimity with the Central Committee, profoundly understand the great importance of economic readjustment, and work in concert to promote economic readjustment and ensure political stability."

Governor Su Gang then delivered a three-part government work report: 1) the main situation and the experiences and lessons in national economic construction; 2) making a further success in economic readjustment; 3) improving and strengthening government work. Su Gang listed the following achievements of the province in 1980:

1. Further development was recorded in production. The province reaped a relatively good harvest, with total output value and grain production showing increases over 1979. Production of industrial crops also increased, with the exception of tobacco. Certain achievements were also recorded in industry and communications. "In enterprises owned by the whole people, average energy and standard fuel consumption per 10,000 yuan of output value fell by 1.21 tons. Total value of output of light industry increased by 10.6 percent over 1979. Output of 16 out of 20 major light industrial products rose. Quality and variety also improved.

2. The urban and rural economy was relatively lively. Over 100 enterprises were acting as pilot projects in expansion of decisionmaking powers. Commercial work also prospered. Total value of commodity retail sales increased by 9.2 percent.

3. The living standards of the majority of people improved. During the year, the province found jobs for 123,500 people awaiting employment. Over 1.18 million square meters of housing were completed, an increase of 20.4 percent over the 1979 figure. Over 1,300 kilometers of roads were built or repaired in minority-nationality areas. The province's natural population growth rate fell compared with 1979.

GUIZHOU PLA STUDIES CENTRAL WORK CONFERENCE SPIRIT

HK230259 Guiyang Guizhou Provincial Service in Mandarin 2315 GMT 22 Feb 81

[Text] GUIZHOU RIBAO reports that Guizhou Military District, the military subdistricts and garrisons and all subordinate units have recently held meetings to convey and study the spirit of the central work conference. The participants all pledged: We will resolutely and unconditionally maintain political unanimity with the Central Committee, and take practical action to implement the spirit of the central work conference, defend economic readjustment and stability and unity, and speed up the building of the four modernizations.

To guide the study in the units, the military district held a wired broadcast meeting of all party members and cadres at which Political Commissar He Ming answered questions put forward in the course of study. On 9 and 10 February, 11 leaders of the military district led work groups to military subdistricts, garrisons, people's armed forces departments and units, to proclaim the spirit of the documents and conduct education in light of the problems raised. This guidance has produced a certain degree of success.

TAN QILONG ADDRESSES SICHUAN CCP CADRE GATHERING

HK250254 Chengdu Sichuan Provincial Service in Mandarin 1100 GMT 24 Feb 81

[Excerpts] The Sichuan Provincial CCP Committee held a gathering of party members and cadres of the provincial organs in the Jinjiang hall on the morning of 24 February. Provincial CCP Committee First Secretary Tan Qilong delivered a guidance report on studying the spirit of the central work conference. Provincial CCP Committee Secretary Du Xinyuan presided at the gathering. Altogether over 5,000 persons attended the gathering.

In the past month and more the provincial cadres have done relatively well in studying the spirit of the central work conference. Leaders of the various units have attached importance to this study and got a good grasp of it.

In his guidance report, Comrade Tan Qilong gave his own views on a number of questions of universal concern raised by the provincial organ cadres in the course of study. Comrade Tan Qilong focused on the issues of how to understand the relationship between the guiding principle laid down by the central work conference and the line and policies stipulated by the third plenary session. After citing and analyzing many facts, he emphasized: By restudying the documents of the third plenary session and reviewing the practice of the past 2 years, we can clearly see that the third plenary session's guiding ideology on seeking truth from facts and correcting leftist errors and its series of guiding principles have not changed. The basic policy of turning chaos to order has not changed. The policies on cadres, intellectuals, and the united front have not changed. Neither have there been changes in other policies, such as the economic policy of opening up to the outside world under the premise of keeping the initiative in our own hands and relying on our own efforts, and the foreign policy of persistently opposing hegemonism and preserving world peace.

Of course, under the premise of no changes in basic principles and policies, there have been some changes in specific policies and regulations. This is because things are constantly developing and conditions are constantly changing. The principles and policies laid down since the third plenary session must also be constantly augmented, enriched, perfected and developed in the course of practice. The principle stipulated by this central work conference is a continuation and development of the third plenary session spirit and ensures its further implementation.

Comrade Tan Qilong also focused on the questions of boosting revolutionary spirit and improving work in the organs. He said: The party members and cadres in all departments must boost their revolutionary spirit and implement this spirit in their actual deeds. They must constantly seek to improve work and shake off contentment with the status quo, apathy, and passive fear of difficulties. They must strive to create new things and make new progress in work. It is necessary to plunge into reality, investigate and study, and improve work style. It is necessary to carry forward the fine tradition of arduous pioneering. Whatever we do, we must base our efforts on the national condition and act according to our capability in economic construction and in improving living standards. We must absolutely not exceed the feasible bounds of the state's financial and material strength, or set excessive demands.

The state is in very great financial difficulties this year. The provincial organs must take the lead in strictly carrying out the regulations and financial and economic systems stipulated by the Central Committee and State Council. In particular, leading cadres must spontaneously observe the guiding principles for inner-party political life and the relevant central regulations, correct unhealthy trends, and oppose pursuit of privilege and all kinds of sinister tendencies.

We must seriously criticize and educate cadres and violate the regulations. Disciplinary action must be taken in serious cases. We must get a good grasp of ideological and political work in the organs. At present we must give prominence to grasping education in upholding the four basic principles, vigorously publicize communist ideals and morals, and vigorously commend progressive figures, ideology and deeds.

Comrade Tan Qilong said in conclusion: With the whole party making common efforts from top to bottom, we will certainly be able to fulfill the work tasks put forward by the central work conference, and achieve further economic readjustment and political stability.

SICHUAN RIBAO STRESSES LIGHT INDUSTRIAL PROMOTION

HK230734 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 22 Feb 81

[Report on 23 February SICHUAN RIBAO contributing commentator's article: "Resolutely Implement the Readjustment Principle and Rapidly Promote Light Industry"]

[Excerpts] Fundamentally speaking, the current effort of further readjusting the national economy means basing our work on the socialist production aim of satisfying the people's daily life needs, readjusting the proportions between accumulation and consumption, and among agriculture, light industry and heavy industry, and ensuring that the national economy can develop steadily and healthily.

The central authorities have proposed that we should continue to make vigorous efforts to develop light industry while cutting down capital construction and reducing administrative expenditures. This policy decision is completely correct. In particular in Sichuan, due to the fact that we have carried out three-line construction for a long time, investment in heavy industry has occupied a very large proportion of total investment, while investment in light industry has been very small. As a result heavy industry has developed at a great pace, while there are serious deficiencies in light industry. The imbalance between light and heavy industry is even greater than in the country as a whole. Hence, to implement the readjustment principle and the central policy decision and promote our province's light industry as fast as possible have become extremely important tasks for the whole province during the economic readjustment period.

Light industry in Sichuan has gradually developed from small beginnings. It has now formed a relatively complete system. However, due to the province's weak foundation and low base in light industry, although progress has been quite rapid in recent years, this has to a great extent only been a revival. Beginning last year, the growth momentum greatly slowed down and problems have gradually been exposed in various aspects: 1) Production levels are low. 2) Economic results are poor. 3) Quality is bad, there is little variety, and the products are not competitive.

To promote light industry in Sichuan, we must continue to carry out construction in the long term. However, in view of the fact that the state's finances are currently tight, we cannot invest a lot of money in light industry, and only invest in filling certain major gaps and promoting output of products in short supply. Hence we must base our efforts on fully tapping the potentials of the existing light industry enterprises. This is to say that during the readjustment period the growth rate and the expansion of productive force mainly depend on tapping potentials and on comprehensive utilization in existing enterprises, together with cooperation between specialized departments and the organization of joint undertakings.

XIZANG ISSUES CIRCULAR ON SPECULATION, PROFITEERING

OW241917 Lhasa Xizang Regional Service in Mandarin 1130 GMT 24 Feb 81

[Text] The Xizang regional administration of industry and commerce and the Lhasa customs administration on 10 February issued a circular on strengthening market control and cracking down on speculation, profiteering and smuggling activities. The circular points out: In accordance with the relevant regulations of the State Council and the regional People's Government, the following 10-point regulations are hereby promulgated to strengthen market control in Lhasa Municipality and the whole region, crack down on speculation and profiteering, stop smuggling activities and maintain economic order in society:

1. All those who have come from other provinces, municipalities and autonomous regions to engage in business, practice medicine or operate a service industry must possess a certificate from industry and commerce administrative departments of their respective localities at or above county level and register at industry and commerce administrative departments at or above the country level in this region. They may start to work after receiving approval. They are to pay taxes for their commodities according to regulations with the exception of those commodities which are duty-free as approved by the Xizang Regional People's Government. Illegally buying musk, Chinese caterpillar fungus, fritillaria bulbs [bei mu 6296 3018], elevated gastrodia tubers [tian ma 1131 7802], pilose antler, other precious Chinese medicines, wool, ox hair and hide by those who have come to this region to engage in business or practice medicine is strictly forbidden. Illegal buying and selling of cultural relics, jewels, gold, silver and foreign currency are also forbidden. They are not permitted to handle industrial products of the first and second categories.
2. The urban residents in this region who are engaged in handicraft art, commercial work and food service industry should register at industry and commerce administrative departments. They should report on their scope of operation and obtain a license from the respective departments. Collective handicraft art production units and individual handicraft art workers, when they want to sell their products, should report to industry and commerce administrative departments of their selling prices. The selling prices must be approved before they can sell their products. Collective food service units and individual food service operators must have prices clearly marked. Collective commercial units and individual businessmen must adhere to the state-listed prices when they sell consumer goods which they have obtained from state wholesale units.
3. All those who engage in commercial work or food service industry in this without a license must register before 25 February and obtain their licenses. Operators without licenses will be banned.
4. Peasants and herdsmen may only sell agriculture and animal husbandry sideline products and handicraft art items at trade fairs in the rural areas. They are not permitted to handle commodities from other localities and industrial products. They are not permitted to exchange or sell musk, Chinese caterpillar fungus, cultural relics, diamonds, pearls, gold, silver or foreign currency. The aforementioned items may be sold to the state. Various organizations, PLA units, schools and enterprises are not allowed to procure agricultural and animal husbandry sideline products directly from rural and pastoral areas without approval by industry and commerce administrative departments at or above the county level.

5. Cadres, staff members and workers of state organs and enterprises are not allowed to engage in commercial activities. They are forbidden to take part in smuggling activities, act for personal gain by using their position or accepting bribery. Violators will be severely punished.
6. Items brought into the autonomous region by Tibetan compatriots who return from foreign countries for a visit, residents of this region who return from a temporary visit to foreign countries, foreign residents who return from a temporary visit abroad and foreigners who come from abroad are not allowed to be sold for profit. When they want to sell the said items, they should first pay customs duty and then discuss the price of their items with the industry and commerce administrative departments. They may sell these items after obtaining approval. No units or individuals are permitted to purchase foreign-made products on the market. Procurement and selling of smuggled goods is forbidden. The foreign-made products at the small border trade markets will be administered in accordance with relevant documents.
7. Foreign residents in this region who want to engage in commercial work should first obtain approval from the industry and commerce administrative departments. They must observe the regulations governing market management in this region.
8. The following activities are considered as speculation and profiteering: the illegal selling of industrial and commercial means of production; rushing to purchase commodities which are to be procured by the state by offering a higher price; undermining state procurement plans; fraudulently purchasing commercial products from state stores or supply and marketing cooperatives and reselling at a higher price; acting as a middle-man; reaping huge profits, speculating, subcontracting in order to make a profit; driving up prices; illegally selling supply coupons and certificates; illegally selling negotiable bank securities; illegally buying or selling foreign currency; jewelry, cultural relics, foreign-made consumer goods and precious medicines; doing shoddy work and using inferior material; mixing the spurious with the genuine; deceiving people in order to make a profit; pretending to deal with enterprises and other units for people in order to make money; selling proofs, invoices and contracts; issuing illegal certificates and invoices; concluding illegal contracts; offering the use of bank accounts and check books and providing cash as loans in order to obtain illegal profits.
9. If any unit or individual does anything mentioned above, the commodities in question will be confiscated. The serious offenders will be fined or punished in accordance with the law.
10. The cadres and masses should actively strike at speculation, profiteering and smuggling activities in coordination with the industry and commerce administrative departments, the customs, the tax departments and public security organizations. Those people and units who have won merit in informing against offenders and exposing smuggling activities, speculation and profiteering should be commended and given material awards in accordance with regulations.

YUNNAN BORDER POLICE UNIT IMPROVES MORALE

HK230314 Kunming Yunnan Provincial Service in Mandarin 1100 GMT 22 Feb 81

[Excerpts] The CCP Committee of the Simao detachment of the Yunnan provincial people's armed border defense police force has conducted education in the future and in ideals to stimulate the enthusiasm of the cadres and policemen to take root in, love and defend the border.

This unit has been stationed on the border defense line for a long time. Its conditions are rather arduous. Some cadres and policemen held: Serving in the people's armed border defense police units, the universe is small and conditions are hard; there is no future in it. In light of the unit's realities, the detachment CCP Committee conducted education in the party's political, ideological and organizational lines for the cadres and policemen, and also guided them to link their duties with the building of the four modernizations and to link individual interests and future with those of the country. They held discussions on the future and on ideals.

By now 172 cadres and policemen in the detachment have been commended and rewarded and 7 progressive collectives have emerged. Over 130 cadres and policemen have joined the CCP. Large numbers of outstanding cadres have been promoted to important posts.

BRIEFS

XIZANG CADRE TRAINING--Lhasa, 22 Feb (XINHUA)--Tibetans now account for 88 percent of staff members at the People's Bank of China branch in Xigaze Prefecture, Xizang, the branch office said this week. Under the policies formulated by the central authorities for Xizang, the branch has laid stress on training Tibetans for leading positions, the office said. Some Tibetans now occupy administrative posts at the bank, and others have been appointed as accountants and cashiers. Throughout the Xizang Autonomous Region, the authorities have given priority to training Tibetan officials and administrative personnel. China now has more than 30 institutes, colleges and secondary vocational schools at which training is given to Tibetans in industry, agriculture, economics, commerce, medicine, banking and law, among other subjects. More than 3,000 Tibetan officials and specialists, including 1,000 medical workers, have returned to Xizang after training in other parts of China. [Text] [Beijing XINHUA in English 0806 GMT 22 Feb 81 OW]

BEIJING MUNICIPALITY EXPANDS SHOPS, SERVICES

OW251236 Beijing XINHUA in English 1223 GMT 25 Feb 81

[Text] Beijing, 25 Feb (XINHUA)--The Chinese capital set up over 2,700 collective and private shops, service centers and merchandise stalls last year, plus more than 200 new state shops and service centers, the city commercial bureau announced here today. This was part of a major effort by city authorities to solve the long standing shortage of facilities that many citizens had complained about.

Xiao Disheng, deputy head of the municipal office of finance and trade, said that last year the city concentrated on catering, tailoring and repair shops. More than 200 restaurants and snack bars were set up, 40 of them with state investment, and some Western food restaurants are now enjoying a brisk business, he said. Another 39 clothing shops were opened.

Xiao Disheng said that while vigorously expanding state businesses, the city gave full scope to the collective and private sectors. More than 300 collective shops and service centers were set up by neighborhood communities. Large markets, consisting mainly of collective shops and stalls, have been established at downtown Qianmen Street, at the northern gate of Temple of Heaven Park and in front of Beijing's main railway station.

The number of private businesses went up to 2,834 against only 394 in 1979. They include 591 shoe repair shops, 370 tailoring shops, 233 bicycle repair shops, 226 kitchen utensil repair shops, and 200 hair-dressing shops. About 450 people found jobs in pedicab transport.

Xiao Disheng said the collective and privately-run services stay open late and make house calls and are doing well in making up the shortcomings of the state undertakings and in providing more jobs. The city's light and textile industries and state farms also set up more than 100 shops in the city and the suburbs to sell their own products. The Huangtugang commune has opened three flower shops.

Xiao Disheng said, however, that there are still not enough shops and service trade centers in the old central quarters of the city and a lot remains to be done to make the life of people on new housing estates more convenient. He said some new problems had arisen with the increase in collective and private businesses, such as price hikes, cheating and tax evasion. "More efforts will be made this year to expand the commercial and service trades," he said. "This is called for by the people and by the need for further consolidating stability and unity."

BEIJING SCHOOLS TO BEGIN EXTRA READING PROGRAM

OW241323 Beijing XINHUA in English 1241 GMT 24 Feb 81

[Text] Beijing, 24 Feb (XINHUA)--An extra-curricular reading program is to be started for the 1.68 million children in Beijing's middle schools and primary schools, the Beijing DAILY reports today. The paper publishes a reading list of 130 titles which is aimed at helping the children to cultivate communist ideals and decent tastes and to enrich their general knowledge.

The program, which will cover 5,465 schools, has been proposed by the Beijing DAILY, the municipal bureau of education, the Communist Youth League, radio and television stations and a number of publishing houses. Among the subjects on the reading list are reminiscences of veteran revolutionaries, philosophy, economics, history, Chinese and foreign literary works, biographies of famous scientists, and popular science.

From now until mid-August, the Beijing DAILY will call for articles from students on what they have learned from their reading. Prizes will be given to the writers of the 100 best articles, some of which will be published and broadcast.

Teachers, Communist Youth League officials and leaders of the Young Pioneer movement, the junior arm of the Youth League, will organize the students to join the program. The publishing houses will ensure a smooth supply of books and the radio and TV stations will publicize the activities.

HEBEI RADIO COMMENTS ON READJUSTMENT WORK

HK211028 Shijiazhuang Hebei Provincial Service in Mandarin 0430 GMT 10 Feb 81

[Station contributing commentator's article: "Overcome Ideological Obstacles, Ensure Smooth Progress of Readjustment Work"]

[Summary] "In the past 2 years, economic readjustment work in our province has scored definite achievements. However, generally speaking the progress has been slow and our work has not been effective enough. Quite a number of comrades lack a deep understanding of the policy to readjust the national economy and they do not understand the necessity of the readjustment. They have confusing and vague understandings. If this ideological phenomenon is not rapidly changed, it is bound to affect implementation of the readjustment of the national economy. Some comrades hold that there are potential dangers in the national economy, which shows their lack of a clear understanding."

At present, the imbalance in our country's entire national economy still has not been basically changed. The economic work is in a passive state. This has become the main obstacle to stabilizing the economy and realizing modernization. Therefore, readjusting the national economy is the principal task in our economic work, and the key to ensuring political stability and unity.

There are also some comrades who have a vague understanding on the unanimity of the policy to readjust the national economy and the party's principles and policies laid down since the 3d Plenary Session of the 11th CCP Central Committee. This is because they do not have a correct understanding. The policy to readjust the national economy and the party's principles and policies are in complete unanimity.

"It is necessary to proceed from reality, correctly understand our country's situation, get rid of the constricting erroneous leftist guiding principles, and do our work in accordance with economic law and other objective laws."

Until the smashing of the gang of four, erroneous practices caused serious losses to the national economy. Since the 3d Plenary Session of the 11th CCP Central Committee, the principles and policies of the party mark the fundamental change in guiding our ideology in economic construction. In readjusting the national economy, it is necessary to act in accordance with our capabilities and live within our means.

"From this we can see that the policy to readjust the national economy is the continuation and development of the various principles and policies laid down since the 3d Plenary Session of the 11th CCP Central Committee. If there have been any changes, it is to get rid of those high quotas which reflected subjectivism and those impractical methods and ideas. This is also what the spirit of the 3d Plenary Session of the 11th CCP Central Committee demands from us.

"There are also some comrades who lack an overall viewpoint toward readjustment. They only care about the interests of their own areas, departments and units. As a result, those enterprises which should be shut down cannot be shut down, those which should be stopped cannot be stopped and those which should be combined cannot be combined." As a result, the capital construction front has become excessively long, and this has caused a further worsening in the imbalance of the national economy.

This kind of departmentalist ideology harms the readjustment work efforts. Only when the national economy has been readjusted will each department and unit see the benefits. If the entire national economy is not properly readjusted and consequently suffers losses, then the benefits to each area, department and unit cannot be ensured.

NEI MONGGOL TO CONVENE PEOPLE'S CONGRESS 2 MAR

SK231404 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 23 Feb 81

[Excerpts] According to our reporter (Wu Xinmin), the seventh meeting of the Standing Committee of the fifth regional People's Congress, held this morning, decided to convene the third session of the fifth regional People's Congress on 2 March in Hohhot.

Shen Xinfu, vice chairman of the regional People's Congress Standing Committee, presided over the meeting. Ting Mao, chairman of the regional People's Congress Standing Committee, spoke.

The major purpose of this meeting was to discuss issues concerning preparations for the third session of the fifth regional People's Congress. The meeting will adopt the draft work report of the regional People's Congress Standing Committee, the suggested namelist of the presidium, the secretary general, the Credentials Committee, the Motions Committee and the Budget Committee for the third session of the fifth regional People's Congress, the session's agenda, the draft decision on implementing the law on criminal procedure in remote banners and the draft of provisional measures for receiving and dealing with motions of the People's Congress.

Attending the meeting were Vice Chairmen of the regional People's Congress Standing Committee including Liu Chang, Zhang Rugang, Qi Junshan, Se-yin-ba-ya-er, E-qi-er-hu-ya-ke-tu and Zhang Rongzhen. Sitting in on the meeting were Chen Bingyu, vice chairman of the regional People's Government, Li Wenjing, president of the regional Higher People's Court, Han Shijin, chief of the regional People's Procuratorate, and (Tian Jizhong), deputy director of the regional public security office. Also attending the meeting were 55 responsible comrades from municipal, banner, county and district People's Congress standing committees.

BRIEFS

NEI MONGGOL MINORITY EDUCATION--In the past 33 years Nei Monggol Autonomous Region has conscientiously implemented the party's policy toward national minorities by promoting education for the minorities in the region. Of the region's 18.5 million people, 2.2 million are Monggols. The number of Monggol students has reached 336,000, an increase of 178 times over preliberation days. [Beijing Domestic Service in Mandarin 0400 GMT 22 Feb 81 OW]

SHANXI URBAN CONSTRUCTION--Shanxi Province did well in promoting urban construction in 1980 in the course of readjustment. Taiyuan Municipality used some 17 million yuan in promoting urban construction in 1980 including the building of roads and the planting of trees throughout the municipality. [Taiyuan Shanxi Provincial Service in Mandarin 2300 GMT 15 Feb 81 HK]

AWARDS FOR SHANXI TEACHERS--The provincial People's Government presented award certificates to schoolteachers who have been working for more than 25 years. A ceremony to present the certificates was held in Taiyuan on 18 February, attended by Luo Guibo, Ruan Bosheng, Jia Jun, Wang Wenzhang, Wang Xiujin, Wang Zhongqing, and Yue Weifan, responsible comrades of the provincial CCP Committee and People's Government. Certificates were presented to 20 representatives of the province's 29,092 teachers who have been working for more than 25 years. Vice Governor Wang Zhongqing made a speech of commendation. [Taiyuan Shanxi Provincial Service in Mandarin 2300 GMT 18 Feb 81 HK]

JILIN RADIO COMMENTS ON GRAIN PRODUCTION

SK250140 Changchun Jilin Provincial Service in Mandarin 1100 GMT 23 Feb 81

[Station commentary: "It Is Necessary To Give Top Priority to Grain Production in Drawing Up Agricultural Production Plans"]

[Text] At present, various rural areas throughout the province are drawing up agricultural production plans for this year. This is of vital significance in ensuring the fulfillment of 1981 production tasks and in doing a good job to gradually readjust the structure of agriculture. The key link in drawing up agricultural production plans is to give top priority to grain production.

Due to the influence of the ultraleft line, some areas have long neglected the production of cash crops and the diversification of the economy in developing agricultural production, thus slowing the all-round development of farming, forestry, animal husbandry, side-occupations and fishery. This has affected the increase of incomes of collectives and individuals. It is necessary to correct this situation. However, it is also necessary to prevent the emergence of new one-sidedness, such as only seeking the increase of incomes, earning as much quick money as possible and neglecting grain production. Moreover, under no circumstance should we be unrealistically optimistic and lower our guard when we increase grain output on a large scale. Grain is the foundation of overall rural economic development and of the development of the national economy. Therefore, we must unswervingly give top priority to grain production. We should not seek the implementation of production team decisionmaking, the development of local strength and the enlivening of the economy at the expense of the development of grain production. We should gradually readjust the structure of agriculture while regarding the increase of grain output as an important precondition and make great efforts to achieve rational arrangements for farming, forestry, animal husbandry, side-occupations and fishery. Various localities should concentrate their efforts on drawing up or improving agricultural production plans prior to the spring plowing. Meanwhile, it is necessary to integrate the work with an effort to strengthen and perfect the agricultural production systems of responsibility. Efforts should be made to boldly mobilize the masses, expand measures which have been proved effective in increasing output, do a good job in preparing funds, manure and other things and strive for reaping an all-round bumper harvest this year.

LIAONING ISSUES REGULATIONS ON SELF-EMPLOYMENT

SK250605 Shenyang Liaoning Provincial Service in Mandarin 1100 GMT 24 Feb 81

[Text] The Liaoning Provincial People's Government on 20 February issued provisional regulations on the administration of self-employed businesses, service trades and handicraft industry in the province. The regulations stipulate that on the condition that the socialist economy of public ownership occupies an absolute predominant position, the role of self-employed industries and businesses as an indispensable part of the national economy should be brought into play, and that all law-abiding self-employed industrialists and businessmen should be respected.

With regard to who are allowed to engage in self-employed businesses, the regulations stipulate: Young people who are awaiting job assignments, idle people and retired workers who are skillful in certain jobs or are financially capable are allowed to engage in self-employed businesses if their residence is registered in cities and if they have obtained the permission and licenses of county or district industrial and commercial bureaus. Rural commune members who have obtained the permission of the production brigades to which they belong, signed contracts with production teams and been approved by industry-commerce administrative departments are allowed to engage in self-employed production and businesses in their localities. They are also permitted to transport their farm products to nearby village fairs or cities for sale. However, they are forbidden to open salesrooms in cities or live in cities on long-term basis for business. The provincial government's provisional regulations also give specifics on the scale, methods and trades of self-employed industries and businesses, the goods supplied for them and their organizations.

QINGHAI MILITARY DISTRICT DISCIPLINE INSPECTION FORUM

SK250557 Xining Qinghai Provincial Service in Mandarin 2300 GMT 24 Feb 81

[Text] The CCP Committee of the Qinghai Provincial Military District recently held a forum attended by secretaries of its Discipline Inspection Commission. The forum examined and analyzed how the PLA units under the military district had implemented the guiding principles for inner-party political life and studied through discussions the ways to further implement the guiding principles and improve party style in 1981.

The forum noted: A key task for discipline inspection commissions at all levels for 1981 is to conscientiously examine how party members and cadres implement the CCP Central Committee's line, principles and policies. All leading cadres should set high standards and strict demands on themselves, match their words with deeds and act as examples in improving party style.

The forum pointed out: Party discipline should be strictly observed and rewards and punishments be impartially meted out. We should be stern as stipulated in the guiding principles toward unhealthy trends and seek truth from facts in solving problems. We should not [words indistinct] be strict toward lower levels and lenient toward higher levels.

The forum urged discipline inspection commissions at all levels and discipline inspection cadres to take the initiative in upholding the four basic principles, take the lead in implementing the guiding principles, be examples in observing party discipline and state law and do their work in a down-to-earth manner.

QINGHAI PROVINCE IMPROVES MINORITY EDUCATION

OW250712 Beijing XINHUA in English 0702 GMT 25 Feb 81

[Text] Xining, 25 Feb (XINHUA)--Multi-national Qinghai Province in northwest China has decided to double appropriations for education among its minority peoples.

These minorities, including the Tibetan, Hui, Tu, Salar, Mongolian and Kazak nationalities, total more than 1.4 million, accounting for 37.8 percent of the province's population.

There are close to 2,000 primary and middle schools in the province, providing free education to students of minority nationalities.

Boarding schools have been set up in the pastoral areas for the children of the Tibetan and Mongolian herdsmen who move from place to place according to the season. Students who require financial assistance are given free food, bedding and pocket money.

Local institutions of higher education, such as the nationalities institute and the medical college, have set up classes for minority nationality students to prepare them for college entrance examinations. These institutions also help train minority nationality teachers in language, history, geography, mathematics, physics and chemistry.

SHAANXI RIBAO ON RURAL RESPONSIBILITY SYSTEMS

HK230711 Xian Shaanxi Provincial Service in Mandarin 2300 GMT 21 Feb 81

[Report on 22 February SHAANXI RIBAO editorial: "Strengthening and Perfecting the Agricultural Production Responsibility Is the Cardinal Link in Consolidating the Collective Economy and Developing Agricultural Production"]

[Excerpts] To properly implement the production responsibilities down to the basic levels before the busy spring farming season has become an urgent major task in the rural areas. It is very closely linked with the effort to reap an all-round bumper harvest this year.

Developing agriculture depends on policies and on science. Setting up realistic production responsibility systems and putting them on a sound basis constitutes an important aspect of depending on policies.

The editorial says: At present there are still many of cadres who have not been completely emancipated from leftist ideology. They lack correct understanding of the party's rural policies and cannot spontaneously and firmly promote the production responsibility systems. In the case of most of these cadres, it is because they do not understand things and are unable to act even if they want to. In addition a few basic-level cadres and peasants base their calculations on individual loss or gain and just want to go on eating out of a common pot; running counter to the masses' desires, they refuse to set up production responsibility systems. Therefore, many communes and brigades have still not properly implemented and stabilized production responsibility systems even though they have established them.

At present leading cadres at all levels and cadres who have undergone training should rapidly go down to the communes and brigades to read out the central document to the masses, discuss its spirit with the masses in connection with reality, and help and supervise the cadres to implement the document in an all-round way.

FIFTH XINJIANG PEOPLE'S CONGRESS SESSION CONCLUDES

OW242228 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 24 Feb 81

[Text] The eighth session of the Standing Committee of the fifth regional People's Congress concluded on 22 February after 4 days in session. During the session, the deputies conscientiously studied the documents of the work conference of the CCP Central Committee, carried out warm discussions in close connection with the actual situation in the autonomous region, and unified their thinking. They were determined to conscientiously implement the guidelines laid down by the central work conference, and carry out work in the region even better.

Those attending the session heard a briefing by a responsible comrade of the regional commodity price bureau on the current situation of commodity prices on the market and on how the directive of the State Council on price control was implemented. It was pointed out in the briefing: At present, the situation on commodity prices in the autonomous region is generally good. However, many problems exist. After the State Council issued the directive on the control of commodity prices and on straightening out negotiated prices, the regional People's Government and the departments concerned in various localities have studied this directive, and made specific arrangements to implement it. In order to stabilize commodity prices, the departments concerned in the region have announced some necessary regulations, periodically checked commodity prices and solved problems as soon as they cropped up. In dealing with units wilfully inflating prices, they have basically achieved their goal of making corrections in the course of checking prices. They have also commended those units which have implemented the price policy well. This has temporarily stopped the trend of price increases and won the support of the broad masses. In the briefing, it was also pointed out: To stabilize commodity prices, it is necessary to adopt a series of policy measures and to implement regulations made public by the autonomous region on stabilizing commodity prices and straightening out negotiated prices. It is essential to pay full attention to any radical commodity price changes which are allowed to fluctuate within a certain limit, stabilize the prices of several major commodities which are closely connected with the people's livelihood, firmly implement the policy of making subsidies and prevent the excessive purchase of industrial goods which are of the No 1 and 2 categories. In order to carry out these measures, we must strengthen leadership over price control and resolutely act within one's own jurisdiction in price control.

After hearing the briefing, the deputies agreed that the departments concerned in the region have done a great deal of work in stabilizing prices and scored some achievements. However, signs of undermining the price policy have not completely disappeared. The departments concerned in the region must continue to adopt effective measures to stop the malpractice of raising prices at will or in a disguised form, deal heavy blows at various illegal speculation activities, and ensure the earnest implementation of the price policy in the region.

After hearing a briefing made by a responsible person of the regional environment protection bureau, the session examined and adopted, in principle, regulations for the control of smoke and dust in the region.

The session also announced appointments and removals of cadres.

Attending the session were Chairman Tomur Dawamat and Vice Chairmen Saifulayev, Wang Zhenwen, Yerhali, Yang Yiqing, Mushayef, Lu Xuebin, Yu Zhanlin, Amantuer, Tuerxun Atawula, Mahsut Beibov, and (Liu Sitong) as well as 26 members of the Standing Committee of the Regional People's Congress. Also attending the session as observers were Vice Chairman Tuohudi Shabier of the regional People's Government; President Nuryuv of the regional Higher People's Court; Chief Procurator Liu Fensheng of the regional People's Procuratorate; and the responsible persons of the various departments under the regional People's Government.

BRIEFS

XINJIANG RURAL SAVINGS--Urumqi, 23 Feb (XINHUA)--The bank deposits of the peasants and herdsmen of all nationalities in Xinjiang Uygur Autonomous Region, northwest China, totalled 122 million yuan in 1980, according to the figure reported by the region's People's Bank of China. This figure represents a 53 percent increase from 1979 and a record level over the previous 20 years. The region's bank of agriculture and credit cooperatives last year recovered 95.6 percent of their loans as against 67 percent in the previous year. The growth in savings is attributed to increased production, higher prices for farm produce and animal byproducts and government tax remissions and exemptions. [Text] [Beijing XINHUA in English 0157 GMT 23 Feb 81 OW]

TA KUNG PAO LOOKS AT PRC'S ECONOMIC PROSPECTS

HK230645 Hong Kong TA KUNG PAO in Chinese 19 Feb 81 p 1

[Special feature by Beijing contributing correspondents Yung Shan [3057 3790] and Hsiao Chuang [2556 5445]: "Continued Prospects for Economic Exchanges Between China and the Outside World"]

[Text] Recently, figures of the PRC upper levels have repeatedly indicated to guests visiting Beijing that although China is presently carrying out economic readjustment, the line of building the four modernizations, the open policy toward foreigners and the principles for reforming the economic system will not change. This obviously has reassured those abroad who are concerned about the situation in China and who intend to do business with China, and has eliminated some of their unnecessary fears and worries. However, they still have doubts over certain issues. After all, the economic readjustment is different from normal economic construction. What efforts should they make to achieve business and technological cooperation with China during the period of readjustment? And what aspects are suitable for cooperation?

Two Essential Points in Gu Mu's Speech

Gu Mu, PRC vice premier in charge of foreign economic work, said in his recent speech: "There will be a wide scope for economic, trade and technological cooperation between China and other friendly nations during the period of readjustment, so long as we work in close connection with the demands of the readjustment of our national economy." We should pay attention to two points in Gu Mu's speech. First, there is a wide scope for cooperation with China in the aspects of economics, trade and technology; second, cooperation must be carried out in close connection with the readjustment of China's national economy. That is to say, if people want to carry out cooperation with China in the coming few years, they must, first of all, understand and study the contents and orientation of China's economic readjustment. They must understand well what China needs in the course of economic readjustment and avoid what is superfluous to the Chinese economy. Otherwise, they cannot hope for success in cooperating with China.

People may ask what is the point of suiting China's demands since they are cooperating with China. All of us know that China always upholds the principle of equality and mutual benefit concerning foreign economic cooperation. When foreign industrialists and businessmen run joint ventures in China, they can only demand a profit rate which is not less than the average profit rate in their own countries. At the same time, China only demands efforts which are beneficial to the economic readjustment and speed up progress of the four modernizations. If there is any deviation from these basic demands, we cannot talk about cooperation.

There Is Retreat and Advance, Retreat To Advance Later

How to understand the situation of economic readjustment in China? In fact, this large-scale readjustment has been caused by the chronic and stubborn leftist disease existing in economic development over the past 20 years and more. For a long time, China has been one-sidedly stressing high speed and promoting a lot of blind construction, regardless of objective economic laws. There has been excessive accumulation and no consumption; there has been much investment in heavy industry such as iron and steel and machinery, but agriculture, light industry and the communications and transportation industry have been neglected. Capital construction has been overemphasized and production neglected. Thus, many of the capital construction projects were overextended, bringing negative consequences. The situation was even worse in the first 2 years after the smashing of the "gang of four." A lot more large-scale capital construction projects were promoted at that time since people hastened for success and had not fully understood the serious economic loss brought about by the 10-years' catastrophe. Thus, the state's actual accumulation and consumption exceeded what the state could afford. Obviously, it is absolutely necessary to readjust such an irrational economic structure. [paragraph continues]

We are glad that this readjustment was initiated by China. The readjustment measures are stable and powerful since the leaders are sober-minded. Through this readjustment, many of the trades and projects which have been consuming excess capital with no remarkable results will be withdrawn and trades which have been neglected in the past will be promoted with concentrated efforts. It is necessary to maintain an appropriate and rational balance between every element of the national economy, enabling them to harmoniously develop and start a wholesome circle. In light of this, the writers think that China's economic readjustment can be summarized into two phrases: first, there must be retreat and advance; second, there must be retreat in order to advance later.

Viewing the situation of economic readjustment in China now, we can see that there is simultaneous retreat and advance, rather than overall retreat or advance. Retreat is mainly found in capital construction projects which need large sums of investment. Investment in heavy industry and administrative expenses has also been appropriately reduced. On the other hand, capital construction in light industry, agriculture, animal husbandry and transportation and communication, and technological reform of some 400,000 existing enterprises has been promoted. It is absolutely necessary to understand this point. And all foreigners must proceed from this point if they want to carry out trade and technological cooperation with China. Everyone knows that the second phase of the Baoshan construction project has already been withdrawn. And construction of some large-scale imported projects is also expected to be suspended. The reason for this is that these projects are among those to be cut back. On the contrary, people also know that a number of Chinese and foreign joint venture projects are being promoted. According to reports, 17 Chinese and foreign joint enterprises had been established in China by the end of October, 1980. There were more than 300 joint business projects and thousands and thousands of processing projects and medium and small-scale compensation trade projects. The situation has turned out to be exactly as Vice Premier Gu Mu said; namely, that there is a wide scope for cooperation between China and other foreign nations if they work in close connection with the demands of China's economic readjustment.

Prepare for Future Development

It is necessary to examine and predict the future of China's economic readjustment because this is also a starting point for carrying out cooperation with China. China is a strong socialist country and is naturally different from other capitalist countries. China has its own logic, development schedules, policies and devices. Sad at having to retreat in some enterprises now, China is aiming at a more stable and consistent development in the future. This is what we call retreating in order to advance. The Chinese leaders and economists will never forget to prepare for the future in carrying out readjustment today. They definitely will not slacken their attention on development of some trades and projects which possess advanced technology and scientific management methods. They definitely are concerned with future economic development. They will pay attention to advanced scientific and technological projects which are conducive to the building of the four modernizations such as cultivation of talent, exploitation of energy and reform of the entire basis of industrial technology. In addition to this, they will promote railway, highway, marine and air transportation work. Thus, the scope for cooperation between the outside world and China includes these aspects.

Certainly, this is only an abstract analysis of the principles. Later on, in order to verify this view, the writers will proceed from these principles to carry out more detailed examination on establishment of foreign trade, Chinese and foreign joint ventures, processing and medium and small-scale compensation trade, import of technology and reform of the economic system in China.

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